PROSPECTUS SUPPLEMENT
(To the Listing Prospectus Dated November 27, 2012)

América Móvil, S.A.B. de C.V.

Ps.15,000,000,000
6.45% Senior Notes due 2022

We are offering Ps.15,000,000,000 aggregate principal amount of our 6.45% senior notes due 2022 (the "notes"). We will pay interest on the notes on June 5 and December 5 of each year, beginning on June 5, 2013. The notes will mature on December 5, 2022.

The notes will rank equally in right of payment with all of our other unsecured and unsubordinated debt obligations from time to time outstanding. The notes will not be guaranteed by any of our subsidiaries.

In the event of certain changes in the applicable rate of Mexican withholding taxes on interest, we may redeem the notes, in whole but not in part, at a price equal to 100% of their principal amount plus accrued interest to the redemption date.

The notes are concurrently being offered in Mexico pursuant to a prospectus approved by the *Comisión Nacional Bancaria y de Valores* (the Mexican National Banking and Securities Commission, or "CNBV"). The notes will be registered with the *Registro Nacional de Valores* (the "Mexican National Securities Registry") maintained by the CNBV.

Application has been made to list the notes on the *Bolsa Mexicana de Valores S.A.B. de C.V.* (the "Mexican Stock Exchange") and on the Official List of the Luxembourg Stock Exchange for trading on the Euro MTF Market.

This Prospectus Supplement and the Prospectus dated November 27, 2012 constitute a prospectus for the purpose of the Luxembourg law dated July 10th 2005, as amended, on Prospectuses for Securities.

This Prospectus Supplement and the Prospectus dated November 27, 2012 may only be used for the purposes for which it has been published.

Investing in the notes involves risks. See "Risk Factors" beginning on page S-6 of this prospectus supplement and page 5 of the accompanying prospectus.

	Price to Public(1)	Underwriting Discounts	Price to Underwriters	Proceeds to América Móvil(1)
6.45% Senior Notes due 2022	99.989%	0.250%	99.739%	Ps.14,960,850,000

(1) Plus accrued interest, if any, from December 5, 2012.

THIS PROSPECTUS SUPPLEMENT AND THE ACCOMPANYING PROSPECTUS ARE SOLELY OUR RESPONSIBILITY AND HAVE NOT BEEN REVIEWED OR AUTHORIZED BY THE CNBV. THE TERMS AND CONDITIONS OF THIS OFFER WILL BE NOTIFIED TO THE CNBV FOR INFORMATION PURPOSES ONLY AND SUCH NOTICE WILL NOT CONSTITUTE A CERTIFICATION AS TO THE INVESTMENT VALUE OF THE NOTES OR OUR SOLVENCY. THE REGISTRATION OF THE NOTES WITH THE MEXICAN NATIONAL SECURITIES REGISTRY DOES NOT IMPLY ANY CERTIFICATION AS TO THE INVESTMENT VALUE OF THE NOTES, OUR SOLVENCY OR THE ACCURACY OF THE INFORMATION CONTAINED HEREIN, AND DOES NOT VALIDATE ANY ACT DONE IN VIOLATION OF APPLICABLE LAWS.

Neither the U.S. Securities and Exchange Commission (the "SEC") nor any state securities commission has approved or disapproved of these securities or determined if this prospectus supplement or the accompanying prospectus is truthful or complete. Any representation to the contrary is a criminal offense.

Delivery of the notes was made in book-entry form through the facilities of Clearstream Banking, société anonyme ("Clearstream"), and Euroclear Bank S.A./N.V. ("Euroclear"), for the accounts of their direct and indirect participants, including *S.D. Indeval Institución para el Depósito de Valores, S.A. de C.V.*, on or about December 5, 2012.

Joint Book-Running Managers

Deutsche Bank Securities **HSBC** **Morgan Stanley** **BBVA** **Citigroup** **Credit Suisse**

The date of this prospectus supplement is December 24, 2012

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We are responsible for the information contained in this prospectus supplement, the accompanying prospectus and the documents incorporated by reference therein. Neither we nor any of the underwriters has authorized any person to give you any other information, and neither we nor any of the underwriters takes any responsibility for any other information that others may give you. This document may only be used where it is legal to sell the notes. You should not assume that the information contained in this prospectus supplement, the accompanying prospectus and the documents incorporated by reference is accurate as of any date other than their respective dates. Our business, financial condition, results of operations and prospects may have changed since those dates. We are not making an offer of the notes in any jurisdiction where the offer is not permitted.

IMPORTANT CURRENCY INFORMATION

You are required to pay for the purchase of the notes in Mexican pesos. The underwriters may, in their discretion and upon your request, arrange for the conversion of your payment in U.S. dollars or another currency into Mexican pesos in order to facilitate the purchase of the notes. All conversions will be made by the underwriters at the applicable exchange rate quoted by them in their absolute discretion and on the terms that they may from time to time establish in accordance with their regular foreign exchange practice. You will be responsible for paying all commissions and fees for any currency conversion related to the purchase of the notes.

We will make all payments on the notes, including payments of interest and the payment of principal at maturity, in Mexican pesos. Consequently, investors with accounts that cannot accept payments on the notes in Mexican pesos must determine how to convert these payments into U.S. dollars or another currency. Your financial institution may automatically convert payments from Mexican pesos into U.S. dollars or another currency if you do not arrange for account facilities denominated in Mexican pesos. You will be responsible for paying all commissions and fees for any currency conversion related to any payment on the notes.

PROSPECTUS SUPPLEMENT SUMMARY

This summary highlights key information described in greater detail in this prospectus supplement or the accompanying prospectus, including the documents incorporated by reference. You should read carefully the entire prospectus supplement, the accompanying prospectus and the documents incorporated by reference before making an investment decision.

América Móvil

We provide telecommunications services in 18 countries. We are the largest provider of wireless communications services in Latin America, based on the number of subscribers, with the largest market share in Mexico and the third-largest in Brazil, in each case based on the number of subscribers. We also have major fixed-line operations in Mexico, Brazil and 12 other countries.

Summary of the Offering

The following summary contains basic information about the notes and is not intended to be complete. It does not contain all the information that is important to you. For a more complete description of the terms and conditions of the notes, see "Description of Notes" in this prospectus supplement and "Description of MXN Notes" in the accompanying prospectus.

Issuer	América Móvil, S.A.B. de C.V.
Notes Offered	Ps.15,000,000,000 aggregate principal amount of 6.45% Senior Notes due 2022.
Price to Public	99.989%, plus accrued interest, if any, from December 5, 2012.
Issue Date	The notes will be issued on December 5, 2012.
Maturity	The notes will mature on December 5, 2022.
Interest Rate	The notes will bear interest at the rate of 6.45% per year from December 5, 2012.
Interest Payment Dates	Interest on the notes will be payable on June 5 and December 5 of each year, beginning on June 5, 2013.
Currency of Payment	All payments of principal of and premium, if any, and interest on the notes will be made in Mexican pesos.
Calculation of Interest	Interest will be computed on the basis of the actual number of days during the relevant interest period and a 360-day year.
Ranking	The notes will be our unsecured and unsubordinated obligations and will rank equally in right of payment with all of our other unsecured and unsubordinated debt. The notes will be effectively subordinated to all of our existing and future secured obligations and to all existing and future liabilities of our subsidiaries. All of our outstanding debt securities that were issued in the Mexican and international markets through mid-September 2011 are unconditionally guaranteed by our subsidiary Radiomóvil Dipsa, S.A. de C.V. ("Telcel"). Accordingly, the holders of those outstanding debt securities will have priority over the holders of the notes with respect to claims to the assets of Telcel. The notes do not restrict our ability or the ability of our subsidiaries to incur additional indebtedness in the future. As of September 30, 2012, we had, on an unconsolidated basis (parent company only), unsecured and unsubordinated indebtedness of (a) approximately Ps.343.0 billion (U.S.$26.6 billion) excluding guarantees of subsidiaries' indebtedness and (b) approximately Ps.359.6 billion (U.S.$27.8 billion) including guarantees of subsidiaries' indebtedness. As of September 30, 2012, our subsidiaries had indebtedness (excluding guarantees of indebtedness of us and our other subsidiaries) of approximately Ps.68.1 billion (U.S.$5.3 billion).
Use of Proceeds	We intend to use the net proceeds from the sale of the notes for general corporate purposes. See "Use of Proceeds" in this prospectus supplement.

Further Issuances	We may, from time to time without the consent of holders of the notes, issue additional notes on the same terms and conditions as the notes, which additional notes will increase the aggregate principal amount of, and will be consolidated and form a single series with, the notes.
Payment of Additional Interest	If you are not a resident of Mexico for tax purposes, payments of interest on the notes to you will generally be subject to Mexican withholding tax at a rate of 4.9%. See "Taxation—Mexican Tax Considerations" in the accompanying prospectus. We will pay additional interest in respect of those payments of interest so that the amount you receive after Mexican withholding tax is paid equals the amount that you would have received if no such Mexican withholding tax had been applicable, subject to some exceptions as described under "Description of Notes—Payment of Additional Interest" in this prospectus supplement and "Description of MXN Notes—Payment of Additional Interest" in the accompanying prospectus.
Tax Redemption	If, due to changes in Mexican laws relating to Mexican withholding taxes, we are obligated to pay additional interest on the notes in excess of the additional interest attributable to a Mexican withholding tax rate of 4.9%, we may redeem the outstanding notes, in whole but not in part, at any time, at a price equal to 100% of their principal amount plus accrued interest to the redemption date.
Listings	Application has been made to list the notes on the Mexican Stock Exchange and on the Official List of the Luxembourg Stock Exchange for trading on the Euro MTF Market. However, we will not be required to maintain such listings.
ISIN and Common Code	The ISIN for the notes is XS0860706935. The Common Code for the notes is 086070693.
Form and Denomination	The notes will be issued only in registered form without coupons and in minimum denominations of Ps.2,000,000 and integral multiples of Ps.10,000 in excess thereof. Except in limited circumstances, the notes will be issued in the form of global notes. See "Form of MXN Notes, Clearing and Settlement" in the accompanying prospectus. Beneficial interests in the global notes will be shown on, and transfers of beneficial interests in the global notes will be made only through, records maintained by Clearstream and Euroclear.
Trustee, Registrar, Principal Paying Agent and Transfer Agent	The Bank of New York Mellon.
London Paying Agent and Transfer Agent	The Bank of New York Mellon London Branch.
Luxembourg Paying Agent and Transfer Agent	The Bank of New York Mellon (Luxembourg) S.A.
Luxembourg Listing Agent	The Bank of New York Mellon (Luxembourg) S.A.
Governing Law	The indenture, the supplemental indenture relating to the notes and the notes will be governed by the laws of the State of New York.
Risk Factors	Before making an investment decision, prospective purchasers of notes should consider carefully all of the information included in this prospectus supplement and the accompanying prospectus and the documents incorporated by reference therein, including, in particular, the information under "Risk Factors" in this prospectus supplement and the accompanying prospectus.

PRESENTATION OF FINANCIAL INFORMATION

This prospectus supplement incorporates by reference our audited consolidated financial statements as of December 31, 2010 and 2011 and for each of the years ended December 31, 2009, 2010 and 2011 and our unaudited interim condensed consolidated financial statements as of September 30, 2012 and for the three and nine months ended September 30, 2012 and 2011.

Our audited consolidated financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB") as of December 31, 2011 and our unaudited interim condensed consolidated financial statements have been prepared in accordance with IFRS as issued by the IASB as of January 1, 2012. Our audited consolidated financial statements and our unaudited interim condensed consolidated financial statements are presented in Mexican pesos. Our date of transition to IFRS was January 1, 2009. The financial statements of our non-Mexican subsidiaries have been translated to Mexican pesos. Note 2(b)(ii) to our audited consolidated financial statements describes how we translate the financial statements of our non-Mexican subsidiaries.

References herein to "Mexican pesos" or "Ps." are to the lawful currency of Mexico. References herein to "U.S. dollars" or "U.S.$" are to the lawful currency of the United States.

This prospectus supplement contains translations of various Mexican peso amounts into U.S. dollars at specified rates solely for your convenience. You should not construe these translations as representations by us that the Mexican peso amounts actually represent the U.S. dollar amounts or could be converted into U.S. dollars at the rate indicated. Unless otherwise indicated, we have translated U.S. dollar amounts from Mexican pesos at the exchange rate of Ps.12.9170 to U.S.$1.00, which was the rate reported by *Banco de México* for September 30, 2012, as published in the Mexican Official Gazette of the Federation (*Diario Oficial de la Federación*, or "Official Gazette").

INCORPORATION OF CERTAIN DOCUMENTS BY REFERENCE

This prospectus supplement incorporates important information about us that is not included in or delivered with the prospectus supplement. The SEC allows us to "incorporate by reference" the information we file with it, which means that we can disclose important information to you by referring you to those documents. The information incorporated by reference is considered to be part of this prospectus supplement, and certain later information that we file with the SEC will automatically update and supersede this information. We incorporate by reference the following documents:

- our annual report on Form 20-F for the year ended December 31, 2011, filed with the SEC on April 30, 2012 (SEC File No. 001-16269) ("our 2011 Form 20-F");
- our report on Form 6-K, filed with the SEC on November 27, 2012 (SEC File No. 001-16269), containing a discussion of our results of operations for the nine months ended September 30, 2012 and 2011 and our financial condition as of September 30, 2012;
- our report on Form 6-K, filed with the SEC on November 27, 2012 (SEC File No. 001-16269), containing our unaudited interim condensed consolidated financial statements as of September 30, 2012 and for the three and nine months ended September 30, 2012 and 2011;
- any future annual reports on Form 20-F filed with the SEC under the U.S. Securities Exchange Act of 1934, as amended (the "Exchange Act"), after the date of this prospectus supplement and prior to the termination of the offering of the notes; and
- any future reports on Form 6-K that we file with, or furnish to, the SEC after the date of this prospectus and prior to the termination of the offering of notes offered by this prospectus that are identified in such reports as being incorporated by reference in our Registration Statement on Form F-3.

Any statement contained in any of the foregoing documents shall be deemed to be modified or superseded for purposes of this prospectus supplement to the extent that a statement contained in this prospectus supplement modifies or supersedes such statement. Any such statement so modified or superseded shall not be deemed, except as so modified or superseded, to constitute a part of this prospectus supplement.

You may request a copy of any and all of the information that has been incorporated by reference in this prospectus supplement and that has not been delivered with this prospectus supplement, at no cost, by writing or telephoning us at Lago Zurich 245, Edificio Telcel, Colonia Granada Ampliación, Delegación Miguel Hidalgo, 11529, México D.F., México, Attention: Investor Relations, telephone (5255) 2581-4449.

We file reports, including annual reports on Form 20-F, and other information with the SEC pursuant to the rules and regulations of the SEC that apply to foreign private issuers. You may read and copy any materials filed with the SEC at its Public Reference Room at 100 F Street, N.E. Washington, D.C. 20549. You may obtain information on the operation of the Public Reference Room by calling the SEC at 1-800-SEC-0330. Any filings we make electronically will be available to the public over the Internet at the SEC's web site at *www.sec.gov*.

RISK FACTORS

You should refer to the risk factors discussed under "Risk Factors" in the accompanying prospectus and "Item 3—Risk Factors" in our 2011 Form 20-F, incorporated by reference in this prospectus supplement.

USE OF PROCEEDS

The net proceeds from the sale of the notes, after payment of underwriting discounts and transaction expenses, are expected to be approximately Ps.14,956 million (or approximately U.S.$1,152 million). We intend to use the net proceeds from the sale of the notes for general corporate purposes.

CAPITALIZATION

The following table sets forth our consolidated capitalization as of September 30, 2012 and as adjusted to reflect the issuance and sale of the notes, but not the application of the net proceeds of the offering.

U.S. dollar amounts in the table are presented solely for your convenience using the exchange rate of Ps.12.9170 to U.S.$1.00, which was the rate reported by *Banco de México* for September 30, 2012, as published in the Official Gazette.

	As of September 30, 2012			
	Actual		As Adjusted	
	(millions of Mexican pesos)	(millions of U.S. dollars)	(millions of Mexican pesos)	(millions of U.S. dollars)
	(unaudited)			
Debt:				
Denominated in U.S. dollars:				
Export credit agency credits	Ps. 6,353	U.S.$ 492	Ps. 6,353	U.S.$ 492
Other bank loans	9,435	730	9,435	730
5.500% Notes due 2014	10,269	795	10,269	795
5.750% Notes due 2015	9,199	712	9,199	712
3.625% Senior Notes due 2015	9,688	750	9,688	750
5.500% Senior Notes due 2015	7,167	555	7,167	555
2.375% Senior Notes due 2016	25,834	2,000	25,834	2,000
5.625% Notes due 2017	7,532	583	7,532	583
5.000% Senior Notes due 2019	9,688	750	9,688	750
5.500% Senior Notes due 2019	4,875	377	4,875	377
5.000% Senior Notes due 2020	27,446	2,125	27,446	2,125
7.5% Senior Notes due 2020	4,521	350	4,521	350
3.125% Senior Notes due 2022	20,667	1,600	20,667	1,600
6.375% Notes due 2035	12,676	981	12,676	981
6.125% Notes due 2037	4,769	369	4,769	369
6.125% Senior Notes due 2040	25,834	2,000	25,834	2,000
4.375% Senior Notes due 2042	14,855	1,150	14,855	1,150
Total	Ps. 210,807	U.S.$ 16,320	Ps. 210,807	U.S.$ 16,320
Denominated in Mexican pesos:				
Domestic senior notes (*certificados bursátiles*)	46,752	3,619	46,752	3,619
8.75% Senior Notes due 2016	4,500	348	4,500	348
9.00% Senior Notes due 2016	5,000	387	5,000	387
8.46% Senior Notes due 2036	7,872	609	7,872	609
6.45% Senior Notes due 2022 offered hereby	—	—	15,000	1,161
Total	Ps. 64,124	U.S.$ 4,964	Ps. 79,124	U.S.$ 6,124

(Table continued on next page)

	As of September 30, 2012					
	Actual			As Adjusted		
	(millions of Mexican pesos)		(millions of U.S. dollars)	(millions of Mexican pesos)		(millions of U.S. dollars)
	(unaudited)					
Denominated in euro:						
Export credit agency credits	Ps. 141		U.S.$ 11	Ps. 141		U.S.$ 11
3.75% Senior Notes due 2017	16,611		1,286	16,611		1,286
4.75% Senior Notes due 2023	12,458		965	12,458		965
4.125% Senior Notes due 2019	16,611		1,286	16,611		1,286
3.000% Senior Notes due 2021	16,611		1,286	16,611		1,286
Total	62,433		4,833	62,433		4,833
Denominated in pounds sterling:						
5.75% Senior Notes due 2030	13,574		1,051	13,574		1,051
5.00% Senior Notes due 2026	10,441		808	10,441		808
4.375% Senior Notes due 2041	15,662		1,213	15,662		1,213
Total	39,678		3,072	39,678		3,072
Denominated in Japanese yen:						
1.23% Senior Notes due 2014	1,143		89	1,143		89
1.53% Senior Notes due 2016	845		65	845		65
2.95% Senior Notes due 2039	2,154		167	2,154		167
Other bank loans	3,296		255	3,296		255
Total	7,438		576	7,438		576
Denominated in Colombian pesos	4,454		345	4,454		345
Denominated in Brazilian reais	3,657		283	3,657		283
Denominated in other currencies	18,523		1,434	18,523		1,434
Total debt	411,113		31,827	426,113		32,987
Less short-term debt and current portion of long-term debt	20,320		1,573	20,320		1,573
Total long-term debt	Ps. 390,793		U.S.$ 30,254	Ps. 405,793		U.S.$ 31,414
Equity:						
Capital stock	96,416		7,464	96,416		7,464
Total retained earnings	204,872		15,861	204,872		15,861
Other comprehensive income items	(8,278)		(641)	(8,278)		(641)
Non-controlling interest	10,273		795	10,273		795
Total equity	303,283		23,479	303,283		23,479
Total capitalization (total long-term debt plus equity)	Ps. 694,076		U.S.$ 53,733	Ps. 709,076		U.S.$ 54,893

As of September 30, 2012, we had, on an unconsolidated basis (parent company only), unsecured and unsubordinated indebtedness of (a) approximately Ps.343.0 billion (U.S.$26.6 billion) excluding guarantees of subsidiaries' indebtedness and (b) approximately Ps.359.6 billion (U.S.$27.8 billion) including guarantees of subsidiaries' indebtedness. As of September 30, 2012, our subsidiaries had indebtedness (excluding guarantees of indebtedness of us and our other subsidiaries) of approximately Ps.68.1 billion (U.S.$5.3 billion).

DESCRIPTION OF NOTES

The following description of the specific terms and conditions of the notes supplements the description of the general terms and conditions set forth under "Description of MXN Notes" in the accompanying prospectus. It is important for you to consider the information contained in the accompanying prospectus and this prospectus supplement before making an investment in the notes. If any specific information regarding the notes in this prospectus supplement is inconsistent with the more general terms and conditions of the notes described in the accompanying prospectus, you should rely on the information contained in this prospectus supplement.

In this section of this prospectus supplement, references to "we," "us" and "our" are to América Móvil, S.A.B. de C.V. only and do not include our subsidiaries or affiliates. References to "holders" mean those who have notes registered in their names on the books that we or the trustee maintain for this purpose, and not those who own beneficial interests in notes issued in book-entry form through Clearstream and Euroclear, or in notes registered in street name. Owners of beneficial interests in the notes should refer to "Form of MXN Notes, Clearing and Settlement" in the accompanying prospectus.

General

Base Indenture and Supplemental Indenture

The notes were issued under a base indenture, dated as of June 28, 2012, and under a supplemental indenture in respect of the notes. References to the "indenture" are to the base indenture as supplemented by the supplemental indenture, dated as of November 28, 2012. The indenture is an agreement among us, The Bank of New York Mellon, as trustee, and The Bank of New York Mellon (Luxembourg) S.A., as Luxembourg transfer agent and paying agent.

Principal and Interest

The aggregate principal amount of the notes will initially be Ps.15,000,000,000.

The notes will mature on December 5, 2022. The notes will bear interest at a rate of 6.45% per year from December 5, 2012.

Interest on the notes will be payable on June 5 and December 5 of each year, beginning on June 5, 2013, to the holders in whose names the notes are registered at the close of business on May 20 or November 20 immediately preceding the related interest payment date.

We will pay interest on the notes on the interest payment dates stated above and at maturity. Each payment of interest due on an interest payment date or at maturity will include interest accrued from and including the last date to which interest has been paid or made available for payment, or from the issue date, if none has been paid or made available for payment, to but excluding the relevant payment date. Interest on the notes will be computed on the basis of the actual number of days during the relevant interest period and a 360-day year.

Ranking of the Notes

We are a holding company, and our principal assets are shares that we hold in our subsidiaries. The notes will not be secured by any of our assets or properties. As a result, by owning the notes, you will be one of our unsecured creditors. The notes will not be subordinated to any of our other unsecured debt obligations. In the event of a bankruptcy or liquidation proceeding against us, the notes would rank equally in right of payment with all our other unsecured and unsubordinated debt.

The notes will not be guaranteed by any of our subsidiaries. Claims of creditors of our subsidiaries, including trade creditors and bank and other lenders, will have priority over the holders of the notes in claims to assets of our subsidiaries.

All of our outstanding debt securities that were issued in the Mexican and international markets through mid-September 2011 are unconditionally guaranteed by Telcel. Accordingly, the holders of those outstanding debt securities will have priority over the holders of the notes with respect to claims to the assets of Telcel.

Form and Denominations

The notes were issued only in registered form without coupons and in minimum denominations of Ps.2,000,000 and integral multiples of Ps.10,000 in excess thereof.

Except in limited circumstances, the notes were issued in the form of global notes. See "Form of MXN Notes, Clearing and Settlement" in the accompanying prospectus.

Further Issues

We reserve the right, from time to time without the consent of holders of the notes, to issue additional notes on terms and conditions identical to those of the notes (except for issue date, issue price and the date from which interest will accrue and, if applicable, first to be paid), which additional notes will increase the aggregate principal amount of, and will be consolidated and form a single series with the notes.

Payment of Additional Interest

We are required by Mexican law to deduct Mexican withholding taxes from payments of interest to investors who are not residents of Mexico for tax purposes as described under "Taxation—Mexican Tax Considerations" in the accompanying prospectus.

Subject to the limitations and exceptions described in "Description of MXN Notes—Payment of Additional Interest" in the accompanying prospectus, we will pay to holders of the notes all additional interest that may be necessary so that every net payment of interest or principal or premium, if any, to the holder will not be less than the amount provided for in the notes. By net payment, we mean the amount that we or our paying agent will pay the holder after deducting or withholding an amount for or on account of any present or future taxes, duties, assessments or other governmental charges imposed with respect to that payment by a Mexican taxing authority. See "Description of MXN Notes—Payment of Additional Interest" in the accompanying prospectus.

Any references in this prospectus supplement to principal, premium, if any, interest or other amounts payable in respect of the notes by us will be deemed to also refer to any additional interest that may be payable in accordance with the provisions described under "Description of MXN Notes—Payment of Additional Interest" in the accompanying prospectus.

Tax Redemption

We will have the right to redeem the notes upon the occurrence of certain changes in the tax laws of Mexico as a result of which we become obligated to pay additional interest on the notes in respect of withholding taxes at a rate in excess of 4.9%, in which case we may redeem the notes, in whole but not in part, at a redemption price equal to 100% of the principal amount of the notes to be redeemed, plus accrued interest to the redemption date. See "Description of MXN Notes—Optional Redemption—Redemption for Taxation Reasons" in the accompanying prospectus.

Covenants

Holders of the notes will benefit from certain covenants contained in the indenture and affecting our ability to incur liens to secure debt, enter into sale and leaseback transactions, sell shares of capital stock of Telcel, merge or consolidate with other entities and take other specified actions, as well as requiring us to provide certain reports or information to holders of notes. See "Description of MXN Notes—Covenants" and "Description of MXN Notes—Merger, Consolidation or Sale of Assets" in the accompanying prospectus.

Defaults, Remedies and Waiver of Defaults

Holders of the notes will have special rights if an event of default with respect to the notes occurs and is not cured. See "Description of MXN Notes—Defaults, Remedies and Waiver of Defaults" in the accompanying prospectus.

Notices

So long as the notes are represented by a global security deposited with The Bank of New York Mellon London Branch, as the common depositary (the "Common Depositary") for Clearstream and Euroclear, notices to be given to holders will be given to Clearstream and Euroclear in accordance with their applicable policies as in effect from time to time. If we issue notes in certificated form, notices to be given to holders will be sent by mail to the respective addresses of the holders as they appear in the trustee's records, and will be deemed given when mailed.

In addition, so long as the notes are listed on the Official List of the Luxembourg Stock Exchange for trading on the Euro MTF Market and it is required by the rules of such exchange, all notices to holders of notes will be published in English:

(1) in a leading newspaper having a general circulation in Luxembourg (which currently is expected to be *Luxemburger Wort*); or

(2) on the website of the Luxembourg Stock Exchange at http://www.bourse.lu.

All notices required by Mexican law or regulation to be given to holders of notes will be given by us in Spanish through the facilities of the Mexican Stock Exchange.

Notices will be deemed to have been given on the date of mailing or of publication as aforesaid or, if published on different dates, on the date of the first such publication. If publication as provided above is not practicable, notices will be given in such other manner, and shall be deemed to have been given on such date, as the trustee may approve.

Neither the failure to give any notice to a particular holder, nor any defect in a notice given to a particular holder, will affect the sufficiency of any notice given to another holder.

Our Relationship with the Trustee

The Bank of New York Mellon is initially serving as the trustee for the notes. The Bank of New York Mellon London Branch is serving as the Common Depositary for Clearstream and Euroclear. The Bank of New York Mellon and its affiliates may have other business relationships with us from time to time.

UNDERWRITING

Subject to the terms and conditions in the underwriting agreement between us and the underwriters, we have agreed to sell to the underwriters, and the underwriters have agreed to purchase from us, severally and not jointly, the principal amounts of notes set forth below.

Underwriter		Principal Amount of Notes
Deutsche Bank Securities Inc.	Ps.	2,500,000,000
HSBC Securities (USA) Inc.		2,500,000,000
Morgan Stanley & Co. LLC		2,500,000,000
Banco Bilbao Vizcaya Argentaria, S.A.		2,500,000,000
Citigroup Global Markets Inc.		2,500,000,000
Credit Suisse Securities (USA) LLC		2,500,000,000
Total	Ps.	15,000,000,000

The underwriting agreement provides that the obligations of the several underwriters to purchase the notes are subject to approval of legal matters by counsel and to other conditions. The underwriting agreement provides that the underwriters are obligated to purchase all of the notes, if any are purchased.

The underwriters propose to offer the notes at the price to public set forth on the cover page of this prospectus supplement. The underwriters may also offer the notes to securities dealers at that price less a customary selling concession. After the initial offering of the notes, the underwriters may from time to time vary the offering price and other selling terms. The underwriters may offer and sell the notes through certain of their affiliates.

We estimate that our out-of-pocket expenses for this offering will be approximately U.S.$350,000.

The notes are a new issue of securities with no established trading market. Application has been made to list the notes on the Mexican Stock Exchange and on the Official List of the Luxembourg Stock Exchange for trading on the Euro MTF Market of such Exchange. However, even if admissions to such listings are obtained, we will not be required to maintain such listings.

We have selected the underwriters named above to act as underwriters for this offering and for future series of our Mexican peso-denominated notes. We anticipate that each of the underwriters will make a secondary market for these notes and, in connection therewith, will post bid and offer price quotations. If any underwriter does not make a market in these notes to our reasonable satisfaction, we currently do not intend to engage that underwriter for future offerings of our peso-denominated notes.

Each underwriter will engage in any market-making activities with respect to the Mexican peso-denominated notes independently from us, either as principal for its own account or as agent for the account of its clients. We plan to request reports or information from the underwriters regarding the aggregate volumes of their respective market-making activities with respect to the notes. An underwriter may discontinue market-making activities with respect to these notes at any time. Although we can provide no assurances concerning the actual future trading market, we believe that the market-making activities will contribute to the liquidity of the trading market for these notes.

We have agreed to indemnify the underwriters against liabilities under the U.S. Securities Act of 1933, as amended, or contribute to payments which the underwriters may be required to make in that respect.

Stabilization and Short Positions

In connection with the offering of the notes, the underwriters may subject to applicable law, engage in overallotment, stabilizing transactions and syndicate covering transactions. Overallotment involves sales in excess of the offering size, which creates a short position for the underwriters. Stabilizing transactions involve bids to purchase the notes in the open market for the purpose of pegging, fixing or maintaining the price of the notes. Syndicate covering transactions involve purchases of the notes in the open market after the distribution has been completed in order to cover short positions. Stabilizing transactions and syndicate covering transactions may cause the price of the notes to be higher than it would otherwise be in the absence of those transactions. If the underwriters engage in stabilizing or syndicate covering transactions, they may discontinue them at any time.

Selling Restrictions

The notes are offered for sale in those jurisdictions in the United States, Europe, Asia and elsewhere where it is lawful to make such offers.

European Economic Area

Each underwriter has represented and agreed that, in relation to each Member State of the European Economic Area which has implemented the Prospectus Directive (each, a "Relevant Member State"), with effect from and including the date on which the Prospectus Directive is implemented in that Relevant Member State (the "Relevant Implementation Date"), it has not made and will not make an offer of notes to the public in that Relevant Member State prior to the publication of a prospectus in relation to the notes which has been approved by the competent authority in that Relevant Member State or, where appropriate, approved in another Relevant Member State and notified to the competent authority in that Relevant Member State, all in accordance with the Prospectus Directive, except that it may, with effect from and including the Relevant Implementation Date, make an offer of notes to the public in that Relevant Member State at any time:

(1) to any legal entity which is a qualified investor as defined in the Prospectus Directive;

(2) to fewer than 150 natural or legal persons (other than qualified investors as defined in the Prospectus Directive), subject to obtaining the prior consent of the representative or representatives nominated by América Móvil for any such offer; or

(3) in any other circumstances falling within Article 3(2) of the Prospectus Directive,

provided that no such offer of notes shall require América Móvil or any underwriter to publish a prospectus pursuant to Article 3 of the Prospectus Directive.

For the purposes of this provision, the expression an "offer of notes to the public" in relation to any notes in any Relevant Member State means the communication in any form and by any means of sufficient information on the terms of the offer and the notes to be offered so as to enable an investor to decide to purchase or subscribe for the notes, as the same may be varied in that Relevant Member State by any measure implementing the Prospectus Directive in that Relevant Member State; "Prospectus Directive" means European Council Directive 2003/71/EC (and amendments thereto, including the 2010 PD Amending Directive) and includes any relevant implementing measure in the Relevant Member State; and "2010 PD Amending Directive" means Directive 2010/73/EU.

United Kingdom

Each underwriter has represented, warranted and agreed that:

(1) it has only communicated or caused to be communicated and will only communicate or cause to be communicated an invitation or inducement to engage in investment activity (within the meaning of Section 21 of the Financial Services and Markets Act 2000 (the "FSMA")) received by it in connection with the issue or sale of the notes in circumstances in which Section 21(1) of the FSMA does not apply to us; and

(2) it has complied and will comply with all applicable provisions of the FSMA with respect to anything done by it in relation to the notes in, from or otherwise involving the United Kingdom.

Hong Kong

The notes may not be offered or sold by means of any document other than (i) in circumstances which do not constitute an offer to the public within the meaning of the Companies Ordinance (Cap.32, Laws of Hong Kong), or (ii) to "professional investors" within the meaning of the Securities and Futures Ordinance (Cap.571, Laws of Hong Kong) and any rules made thereunder, or (iii) in other circumstances which do not result in the document being a "prospectus" within the meaning of the Companies Ordinance (Cap.32, Laws of Hong Kong), and no advertisement, invitation or document relating to the notes may be issued or may be in the possession of any person for the purpose of issue (in each case whether in Hong Kong or elsewhere), which is directed at, or the contents of which are likely to be accessed or read by, the public in Hong Kong (except if permitted to do so under the laws of Hong Kong) other than with respect to notes which are or are intended to be disposed of only to persons outside Hong Kong or only to "professional investors" within the meaning of the Securities and Futures Ordinance (Cap. 571, Laws of Hong Kong) and any rules made thereunder.

Japan

The notes have not been and will not be registered under the Financial Instruments and Exchange Law of Japan (as amended, the "FIEL") and each underwriter has agreed that it will not offer or sell any notes, directly or indirectly, in Japan or to, or for the benefit of, any resident of Japan (which term as used herein means any person resident in Japan, including any corporation or other entity organized under the laws of Japan), or to others for re-offering or resale, directly or indirectly, in Japan or to a resident of Japan, except pursuant to an exemption from the registration requirements of, and otherwise in compliance with, the FIEL and any other applicable laws, regulations and ministerial guidelines of Japan.

Singapore

Neither this prospectus supplement nor the accompanying prospectus has been registered as a prospectus with the Monetary Authority of Singapore. Accordingly, this prospectus and any other document or material in connection with the offer or sale, or invitation for subscription or purchase, of the notes may not be circulated or distributed, nor may the notes be offered or sold, or be made the subject of an invitation for subscription or purchase, whether directly or indirectly, to persons in Singapore other than (i) to an institutional investor under Section 274 of the Securities and Futures Act, Chapter 289 of Singapore (the "SFA"), (ii) to a relevant person, or any person pursuant to Section 275(1A), and in accordance with the conditions specified in Section 275 of the SFA or (iii) otherwise pursuant to, and in accordance with the conditions of, any other applicable provision of the SFA.

Where the notes are subscribed or purchased under Section 275 of the SFA by a relevant person which is: (a) a corporation (which is not an accredited investor) the sole business of which is to hold investments and the entire share capital of which is owned by one or more individuals, each of whom is an accredited investor; or (b) a trust (where the trustee is not an accredited investor) whose sole purpose is to hold investments and each beneficiary is an accredited investor, shares, debentures and units of shares and debentures of that corporation or the beneficiaries' rights and interest in that trust will not be transferable for six months after that corporation or that trust has acquired the notes under Section 275 of the SFA except: (1) to an institutional investor under Section 274 of the SFA or to a relevant person, or any person pursuant to Section 275(1A) of the SFA, and in accordance with the conditions specified in Section 275 of the SFA; (2) where no consideration is given for the transfer; or (3) by operation of law.

Mexico

The notes are concurrently being offered in Mexico pursuant to a prospectus approved by the CNBV. The notes will be registered with the Mexican National Securities Registry maintained by the CNBV.

Peru

The notes and the information contained in this prospectus supplement have not been and will not be registered with or approved by the Peruvian Capital Markets Superintendency (*Superintendencia del Mercado de Valores*) or the Lima Stock Exchange. Accordingly, the notes cannot be offered or sold in Peru, except if such offering is considered a private offering under the securities laws and regulations of Peru. The Peruvian securities market law establishes, among others, that any particular offer may qualify as private if it is directed exclusively to institutional investors. However, we have applied to register the notes with the Superintendency of Banking, Insurance, and Private Pension Funds (*Superintendencia de Bancos, Seguros y AFP*) in order to offer and sell the notes in private placement transactions addressed to Peruvian institutional investors, such as Peruvian private pension funds.

Chile

Neither the issuer nor the notes are registered in the Securities Registry (*Registro de Valores*) or the Foreign Securities Registry (*Registro de Valores Extranjeros*) of the Chilean Securities and Insurance Commission (*Superintendencia de Valores y Seguros de Chile*) ("SVS"), or subject to the control and supervision of the SVS. The notes may not be offered or sold in Chile, directly or indirectly, by means of a "Public Offer" (as defined under Chilean Securities Law (Law No 18,045 and regulations from the SVS of the Republic of Chile)), and may only be offered and sold to a limited number of purchasers pursuant to a private offering within the meaning of Article 4 of the Chilean Securities Market Act (*Ley de Mercado de Valores*). Chilean institutional investors (such as banks, pension funds and insurance companies) are required to comply with specific restrictions relating to the purchase of the notes.

Other Matters

The underwriters and their respective affiliates have engaged in, and may in the future engage in, investment banking, commercial banking, financial advisory and other transactions and matters in the ordinary course of business with us and our affiliates. They have received customary fees and commissions for these transactions.

In the ordinary course of their various business activities, the underwriters and their respective affiliates may make or hold a broad array of investments and actively trade debt and equity securities (or related derivative securities) and financial instruments (including bank loans) for their own account and for the accounts of their customers. Such investments and securities activities may involve securities and/or instruments of our company or our affiliates. If any of the underwriters or their affiliates has a lending relationship with us, certain of those underwriters or their affiliates may routinely hedge their credit exposure to us consistent with their customary risk management policies. Typically, underwriters and their affiliates would hedge such exposure by entering into transactions which consist of either the purchase of credit default swaps or the creation of short positions in our securities, including potentially the notes offered hereby. Any such credit default swaps or short positions could adversely affect future trading prices of the notes offered hereby. The underwriters and their affiliates may also make investment recommendations and/or publish or express independent research views in respect of such securities or instruments and may, at any time, hold or recommend to clients that they acquire, long or short positions in such securities and instruments.

Each underwriter that is not a broker-dealer registered with the SEC will make any sales of notes in the United States, or to persons in the United States, solely through one or more registered broker-dealers in compliance with the Exchange Act and the rules of the Financial Industry Regulatory Authority. Banco Bilbao Vizcaya Argentaria, S.A. will not be selling notes in the United States or to persons in the United States.

VALIDITY OF NOTES

The validity of the notes offered and sold in this offering will be passed upon for us by Cleary Gottlieb Steen & Hamilton LLP, our United States counsel, and for the underwriters by Simpson Thacher & Bartlett LLP, United States counsel to the underwriters. Certain matters of Mexican law relating to the notes will be passed upon for us by Bufete Robles Miaja, S.C., our Mexican counsel, and for the underwriters by Raz-Guzmán, S.C., Mexican counsel to the underwriters.

EXPERTS

The consolidated financial statements of América Móvil, S.A.B. de C.V. appearing in its annual report on Form 20-F for the year ended December 31, 2011, and the effectiveness of América Móvil, S.A.B. de C.V.'s internal control over financial reporting as of December 31, 2011, have been audited by Mancera, S.C., a member practice of Ernst & Young Global, an independent registered public accounting firm, as set forth in their reports thereon, included therein, and incorporated herein by reference. Such consolidated financial statements are incorporated herein by reference in reliance upon such reports given on the authority of such firm as experts in accounting and auditing.

LISTING AND GENERAL INFORMATION

1. We have applied to have the notes admitted for listing on the Official List of the Luxembourg Stock Exchange and trading on the Euro MTF Market.

2. The notes have been accepted for clearance through Euroclear and Clearstream. The ISIN number and the Common Code for the notes are as follows:

	ISIN Number	Common Code
6.45% Senior Notes due 2022	XS0860706935	086070693

3. We have obtained all necessary consents, approvals and authorizations in connection with the issuance and performance of the notes. Resolutions of our board of directors, dated February 5, 2008 authorized the issuance of the notes.

4. Except as described in this listing prospectus, including the documents incorporated by reference herein, there are no pending actions, suits or proceedings against or affecting us or any of our subsidiaries or any of their properties, which, if determined adversely to us or any such subsidiary, would individually or in the aggregate have an adverse effect on our financial condition and that of our subsidiaries taken as a whole or would adversely affect our ability to perform our obligations under the notes or which are otherwise material in the context of the issue of the notes, and, to the best of our knowledge, no such actions, suits or proceedings are threatened.

5. Except as described in this listing prospectus and in the documents incorporated by reference, since December 31, 2011, there has been no change (or any development or event involving a prospective change of which we are or might reasonably be expected to be aware) which is materially adverse to our financial condition and that of our subsidiaries taken as a whole.

6. For so long as any of the notes are outstanding and admitted for listing on the Official List of the Luxembourg Stock Exchange and trading on the Euro MTF Market, copies of the following items in English will be available free of charge from The Bank of New York Mellon (Luxembourg) S.A., our listing agent, at its office at Vertigo Building – Polaris, 2-4 rue Eugène Ruppert, L-2453 Luxembourg, Luxembourg:

    - our audited consolidated financial statements as of December 31, 2011 and 2010 and for the years ended December 31, 2011 and 2010;
    - our unaudited condensed consolidated financial statements as of and for the three and nine months ended September 30, 2012, as furnished to the SEC under cover of Form 6-K on November 27, 2012; and
    - any related notes to these items.

For as long as any of the notes are outstanding and admitted for listing on the Official List of the Luxembourg Stock Exchange and trading on the Euro MTF Market, copies of our current annual financial statements and unaudited financial information may be obtained from our Luxembourg listing agent at its office listed above. We currently publish our unaudited financial information on a quarterly basis. We do not prepare non-consolidated financial statements.

During the same period, the indenture, the supplemental indenture and a copy of our articles of incorporation will be available at the offices of The Bank of New York Mellon and The Bank of New York Mellon (Luxembourg) S.A. We will, for so long as any notes are admitted for listing on the Official List of the Luxembourg Stock Exchange and trading on the Euro MTF Market, maintain a paying agent in New York as well as in Luxembourg.

Copies of our constitutive documents are available at the office of The Bank of New York Mellon (Luxembourg) S.A., the paying agent in Luxembourg.

The trustee for the notes is The Bank of New York Mellon, having its office at 101 Barclay Street, New York, New York 10286. The terms and conditions of our appointment of The Bank of New York Mellon as trustee, including the terms and conditions under which The Bank of New York Mellon may be replaced as trustee, are contained in the indenture and the supplemental indentures available for inspection at the offices of The Bank of New York Mellon and The Bank of New York Mellon (Luxembourg) S.A.

DESCRIPTION OF THE ISSUER

América Móvil, S.A.B. de C.V. is a corporation (*sociedad anónima bursátil de capital variable*) organized under the laws of Mexico with its principal executive registered offices at Lago Zurich 245, Edificio Telcel, Colonia Granada Ampliación, Delegación Miguel Hidalgo, 11529, México D.F., México. We were incorporated on September 29, 2000. Our corporate object, as stated in Article Third of our bylaws, is to carry out any object not prohibited by law. We were registered in the *Registro Público de Comercio* (Public Registry of Commerce) of Mexico City on October 13, 2000 under the number 263770. We are a holding company and our principal assets are shares that we hold in our subsidiaries. The amount of our paid-in, authorized capital stock was Ps.96.433 million as of December 31, 2011. The total issued and outstanding shares as of December 31, 2011 was 76,992 million. Our capital stock is comprised of three classes: Class AA; Class A; and Class L. Each AA Share and A Share entitles the holder thereof to one vote at any meeting of our shareholders. Each L Share entitles the holder thereof to one vote solely on certain limited matters. For further information about our capital structure, including information about the number of shares outstanding in each class, see "Item 7—Major Shareholders and Related Party Transactions—Major Shareholders" in our 2011 Form 20-F.

PROSPECTUS

América Móvil, S.A.B. de C.V.

Debt Securities

Denominated and Payable in Mexican Pesos

We may from time to time offer debt securities denominated and payable in Mexican pesos (the "MXN notes") pursuant to this prospectus. This prospectus describes some of the general terms that may apply to the MXN notes and the general manner in which they may be offered. The specific terms of each series of MXN notes will be described in a prospectus supplement to this prospectus.

We may also concurrently offer MXN notes in Mexico pursuant to a prospectus that will be subject to approval by the *Comisión Nacional Bancaria y de Valores* (the Mexican National Banking and Securities Commission, or "CNBV"). The MXN notes will be registered with the *Registro Nacional de Valores* (the "Mexican National Securities Registry") maintained by the CNBV.

Unless we provide otherwise in the applicable prospectus supplement, the MXN notes will have the following general terms:

- The MXN notes will be our unsecured and unsubordinated obligations and will rank equally in right of payment with all of our other unsecured and unsubordinated debt.
- The MXN notes will bear interest at a fixed or floating rate. If the MXN notes bear interest at a floating rate, the floating interest rate formula will be based on one or more base rates plus or minus a fixed amount or multiplied by a specified percentage.
- We will pay all amounts due on the MXN notes in Mexican pesos.

Investment in the MXN notes involves risks. See "Risk Factors" beginning on page 5 of this prospectus.

Neither the U.S. Securities and Exchange Commission (the "SEC") nor any state securities commission has approved or disapproved of these securities or determined if this prospectus or any accompanying prospectus supplement is truthful or complete. Any representation to the contrary is a criminal offense.

THIS PROSPECTUS IS SOLELY OUR RESPONSIBILITY AND HAS NOT BEEN REVIEWED OR AUTHORIZED BY THE CNBV. THE TERMS AND CONDITIONS OF ANY OFFER OF MXN NOTES OUTSIDE OF MEXICO WILL BE NOTIFIED TO THE CNBV FOR INFORMATION PURPOSES ONLY AND SUCH NOTICE WILL NOT CONSTITUTE A CERTIFICATION AS TO THE INVESTMENT VALUE OF THE MXN NOTES OR OUR SOLVENCY. THE REGISTRATION OF THE MXN NOTES WITH THE MEXICAN NATIONAL SECURITIES REGISTRY DOES NOT IMPLY ANY CERTIFICATION AS TO THE INVESTMENT VALUE OF THE MXN NOTES, OUR SOLVENCY OR THE ACCURACY OF THE INFORMATION CONTAINED HEREIN, AND DOES NOT VALIDATE ANY ACT DONE IN VIOLATION OF APPLICABLE LAWS.

November 27, 2012

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We are responsible for the information contained in this prospectus, any accompanying prospectus supplement and the documents incorporated by reference herein and therein. We have not authorized any person to give you any other information, and we take no responsibility for any other information that others may give you. This document may only be used where it is legal to sell the MXN notes. You should not assume that the information contained in this prospectus, any accompanying prospectus supplement and the documents incorporated by reference is accurate as of any date other than their respective dates. Our business, financial condition, results of operations and prospects may have changed since those dates. We are not making an offer of MXN notes in any jurisdiction where the offer is not permitted.

ABOUT THIS PROSPECTUS

This prospectus is part of a registration statement that we filed with the SEC using a "shelf" registration process. Under this shelf process, América Móvil, S.A.B. de C.V. may from time to time offer debt securities.

As used in this prospectus, "América Móvil," "we," "our" and "us" refer to América Móvil, S.A.B. de C.V. and its consolidated subsidiaries, unless the context otherwise requires or unless otherwise specified.

This prospectus only provides a general description of the MXN notes. Each time we offer MXN notes, we will prepare a prospectus supplement containing specific information about the particular offering and the specific terms of the MXN notes. If any information in the prospectus supplement, including any changes in the terms of the MXN notes, is inconsistent with this prospectus, you should rely on the information in the prospectus supplement. We may also add, update or change other information contained in this prospectus by means of a prospectus supplement or by incorporating by reference information we file with the SEC. The registration statement that we filed with the SEC includes exhibits that provide more detail on the matters discussed in this prospectus.

Before you invest in the MXN notes, you should read this prospectus, any related prospectus supplement and the related exhibits filed with the SEC, together with the additional information described under the headings "Where You Can Find More Information" and "Incorporation of Certain Documents by Reference."

IMPORTANT CURRENCY INFORMATION

You are required to pay for the purchase of the MXN notes in Mexican pesos. The agents or the underwriters may, in their discretion and upon your request, arrange for the conversion of your payment in U.S. dollars or another currency into Mexican pesos in order to facilitate the purchase of the MXN notes. All conversions will be made by the agents or the underwriters at the applicable exchange rate quoted by them in their absolute discretion and on the terms that they may from time to time establish in accordance with their regular foreign exchange practice. You will be responsible for paying all commissions and fees for any currency conversion related to the purchase of the MXN notes.

We will make all payments on the MXN notes, including payments of interest and the payment of principal at maturity, in Mexican pesos. Consequently, investors with accounts that cannot accept payments on the MXN notes in Mexican pesos must determine how to convert these payments into U.S. dollars or another currency. Your financial institution may automatically convert payments from Mexican pesos into U.S. dollars or another currency if you do not arrange for account facilities denominated in Mexican pesos. You will be responsible for paying all commissions and fees for any currency conversion related to any payment on the MXN notes.

FORWARD-LOOKING STATEMENTS

Some of the information contained or incorporated by reference in this prospectus may constitute "forward-looking statements" within the meaning of the safe harbor provisions of The Private Securities Litigation Reform Act of 1995. Although we have based these forward-looking statements on our expectations and projections about future events, it is possible that actual events may differ materially from our expectations. In many cases, we include together with the forward-looking statements themselves a discussion of factors that may cause actual events to differ from our forward-looking statements. Examples of forward-looking statements include the following:

- projections of operating revenues, net income (loss), net income (loss) per share, capital expenditures, indebtedness levels, dividends, capital structure or other financial items or ratios;
- statements of our plans, objectives or goals, including those relating to acquisitions, competition, regulation and rates;
- statements about our future economic performance or that of Mexico or other countries in which we operate;
- competitive developments in the telecommunications sector in each of the markets where we operate or into which we may expand;
- other factors and trends affecting the telecommunications industry generally and our financial condition in particular; and
- statements of assumptions underlying the foregoing statements.

We use words such as "believe," "anticipate," "plan," "expect," "intend," "target," "estimate," "project," "predict," "forecast," "guideline," "should" and other similar expressions to identify forward-looking statements, but they are not the only way we identify such statements.

Forward-looking statements involve inherent risks and uncertainties. We caution you that a number of important factors could cause actual results to differ materially from the plans, objectives, expectations, estimates and intentions expressed in such forward-looking statements. These factors, some of which are discussed under "Risk Factors" in our most recent annual report on 20-F, which is incorporated in this prospectus by reference, any reports on Form 6-K that may be incorporated in this prospectus by reference or a prospectus supplement, include economic and political conditions and government policies in Mexico, Brazil or elsewhere, inflation rates, exchange rates, regulatory developments, technological improvements, customer demand and competition. See "Where You Can Find More Information" for information about how to obtain a copy of these documents. We caution you that the foregoing list of factors is not exclusive and that other risks and uncertainties may cause actual results to differ materially from those in forward-looking statements.

Forward-looking statements speak only as of the date they are made. We undertake no obligation to publicly update or revise any forward-looking statements, whether as a result of new information or future events or for any other reason.

You should evaluate any statements made by us in light of these important factors.

AMÉRICA MÓVIL

América Móvil provides telecommunications services in 18 countries. América Móvil is the largest provider of wireless communications services in Latin America, based on the number of subscribers, with the largest market share in Mexico and the third-largest market share in Brazil, in each case based on the number of subscribers. América Móvil also has major fixed-line operations in Mexico, Brazil and 12 other countries. As of September 30, 2012, América Móvil had 255.9 million wireless subscribers and 62.8 million fixed revenue generating units in the Americas.

América Móvil, S.A.B. de C.V. is a *sociedad anónima bursátil de capital variable* organized under the laws of Mexico with its principal executive offices at Lago Zurich 245, Edificio Telcel, Colonia Granada Ampliación, Delegación Miguel Hidalgo, 11529, México D.F., México. Our telephone number at this location is (5255) 2581-4449.

RISK FACTORS

We have set forth risk factors in our most recent annual report on Form 20-F, which is incorporated by reference in this prospectus. We have also set forth below certain additional risk factors that relate specifically to the MXN notes. We may include further risk factors in more recent reports on Form 6-K incorporated in this prospectus by reference, or in a prospectus supplement. You should carefully consider all these risk factors in addition to the other information presented or incorporated by reference in this prospectus.

Risks Relating to the MXN Notes

Creditors of our subsidiaries will have priority over the holders of the MXN notes in claims to assets of our subsidiaries

Our MXN notes will be obligations of América Móvil and not any of our subsidiaries. We conduct substantially all of our business and hold substantially all of our assets through our subsidiaries. Claims of creditors of our subsidiaries, including trade creditors and bank and other lenders, will have priority over the holders of MXN notes in claims to assets of our subsidiaries. Our ability to meet our obligations, including under the MXN notes, will depend, in significant part, on our receipt of cash dividends, advances and other payments from our subsidiaries.

All of our outstanding debt securities that were issued in the Mexican and international markets through mid-September 2011 are unconditionally guaranteed by our subsidiary Radiomóvil Dipsa, S.A. de C.V. ("Telcel"). Accordingly, the holders of those outstanding debt securities will have priority over the holders of the unguaranteed MXN notes offered by this prospectus with respect to claims to the assets of Telcel.

Our obligations under the MXN notes would be converted in the event of bankruptcy

Under Mexico's *Ley de Concursos Mercantiles* (Law on Mercantile Reorganization), if we were declared bankrupt or in *concurso mercantil* (bankruptcy reorganization), our obligations under the MXN notes:

- would be converted from Mexican pesos into inflation-adjusted units, or *Unidades de Inversión*;
- would be satisfied at the time claims of all our creditors are satisfied;
- would be subject to the outcome of, and priorities recognized in, the relevant proceedings;
- would cease to accrue interest; and
- would not be adjusted to take into account any depreciation of the Mexican peso against the U.S. dollar or other currency occurring after such declaration.

There may not be a liquid trading market

If an active market for our MXN notes does not develop, the price of the MXN notes and the ability of a holder of MXN notes to find a ready buyer will be adversely affected. As a result, we cannot assure you as to the liquidity of any trading market for the MXN notes.

Risks Relating to Mexican Pesos as Currency of Payments

There are risks inherent in investments in securities denominated and payable in Mexican pesos for an investor whose home currency is not Mexican pesos

You should consult your financial, legal and tax advisers as to the specific risks of investing in securities that are denominated and payable in a currency other than the currency of the country in which you are resident or in which you conduct your business. We refer to the currency of your home country as your "home currency." For U.S. investors, the U.S. dollar would be the home currency. The MXN notes are not appropriate investments for investors who do not understand foreign currency exchange risks.

Any depreciation of the Mexican peso against your home currency will reduce the effective yield on the MXN notes in home currency terms, and the amount payable at maturity may be less than your investment in home country terms, resulting in a loss to you

Exchange rates between the Mexican peso and other currencies vary significantly from period to period. Historical exchange rates are not necessarily indicative of future changes in rates and should not be relied upon as indicative of future trends.

Exchange rates can be volatile and unpredictable. If the Mexican peso depreciates against your home currency, the effective yield on the MXN notes, measured in your home currency, will be less than the interest rate on the MXN notes, and the amount payable on the MXN notes at maturity may be less than your investment in home country terms, resulting in a loss to you. Depreciation of the Mexican peso against your home currency could also adversely affect the market value of the MXN notes.

Mexican governmental policy and other factors could adversely affect the exchange rate between the Mexican peso and your home currency, which could adversely affect your investment in the MXN notes

Mexican governmental policy or action could adversely affect the exchange rate between the Mexican peso and other currencies, which may, in turn, negatively affect the market value of the MXN notes as well as, in home currency terms, the yield on the MXN notes and the amount payable on the MXN notes at maturity. Thus, a special risk in purchasing the MXN notes is that their liquidity, trading value and amount payable could be affected by the actions of sovereign governments that could change or interfere with previously freely determined currency valuations, fluctuations in response to other market forces and the movement of currencies across borders. There will be no offsetting adjustment or change made during the term of the MXN notes in the event that the exchange rate between Mexican pesos and any other currency should become fixed. Nor will there be any offsetting adjustment or change in the event of any devaluation or revaluation or imposition of exchange or other regulatory controls or taxes or in the event of other developments affecting the Mexican peso.

Exchange rate movements are also influenced significantly from time to time by political or economic developments, and by macroeconomic factors and speculative actions related to the Mexican peso or other currencies. Changes in the exchange rate result over time from the interaction of many factors directly or indirectly affecting economic and political conditions in Mexico and elsewhere, including: (i) existing and expected rates of inflation; (ii) existing and expected interest rate levels; (iii) levels of interest rate and exchange rate volatility, which impact currency bid/offer spreads; (iv) balance of payments; and (v) the extent of governmental surpluses or deficits in Mexico and the United States. All of these factors are in turn sensitive to the monetary, fiscal and trade policies pursued by the governments of Mexico and the United States and other countries important to international trade and finance. Fluctuations in the exchange rates between the Mexican peso and your home currency could affect the value of your interest and principal payments measured in your home currency as well as the value of the MXN notes in the secondary market.

Exchange controls could impair our ability to make payments or negatively affect payments on the MXN notes

The Mexican government currently does not restrict, and for many years has not restricted, the right or ability of Mexican or foreign persons or entities to convert Mexican pesos into another currency or to transfer other currencies out of Mexico. However, the government could institute restrictive exchange rate policies or regulations which could result in depreciation of the Mexican peso against your home currency, resulting in a reduced yield to holders of the MXN notes, a possible loss on your investment in the MXN notes and a possible decline in the market value of the MXN notes. In addition, any restrictive exchange controls could impair our ability to make payments on the MXN notes in accordance with the terms of the MXN notes.

USE OF PROCEEDS

Unless otherwise provided in the applicable prospectus supplement, we intend to use the net proceeds from the sale of the MXN notes for general corporate purposes.

DESCRIPTION OF MXN NOTES

Unless otherwise specified in the applicable prospectus supplement, the MXN notes will be issued under a base indenture, dated as of June 28, 2012 (the "base indenture"), and supplemental indentures relating to particular series of MXN notes (collectively, the "indenture"). The indenture is an agreement among us, The Bank of New York Mellon, as trustee, and any other applicable party thereto.

The following section summarizes the material terms that are common to all series of MXN notes issued by América Móvil under the indenture, unless otherwise indicated in this section or in the prospectus supplement relating to a particular series of MXN notes. We will describe the particular terms of each series of MXN notes in a prospectus supplement to this prospectus.

Because this section is a summary, it does not describe every aspect of the MXN notes and the indenture. This summary is subject to and qualified in its entirety by reference to all the provisions of the indenture, including the definition of various terms used in the indenture. For example, we describe the meanings for only the more important terms that have been given special meanings in the indenture. We also include references in parentheses to some sections of the base indenture.

The indenture and the documents relating to each series of MXN notes will together contain the full legal text of the matters summarized in this section. We have filed a copy of the base indenture with the SEC as an exhibit to the registration statement of which this prospectus forms a part. We will file a copy of the supplemental indentures relating to particular series of MXN notes with the SEC. Upon request, we will provide you with a copy of the indenture. See "Where You Can Find More Information" for information concerning how to obtain a copy.

In this section, references to "we," "us" and "our" are to América Móvil, S.A.B. de C.V. only and do not include our subsidiaries or affiliates. References to "holders" mean those who have MXN notes registered in their names on the books that we or the trustee maintain for this purpose, and not those who own beneficial interests in MXN notes issued in book-entry form or in MXN notes registered in street name. Owners of beneficial interests in MXN notes should refer to "Form of MXN Notes, Clearing and Settlement."

The MXN notes will be issued in one or more series. The following discussion of provisions of the MXN notes, including, among others, the discussion of provisions described under "—Optional Redemption," "—Defaults, Remedies and Waiver of Defaults," "—Modification and Waiver" and "—Defeasance," applies to individual series of MXN notes.

General

Trustee

The trustee has the following two main roles:

- First, the trustee can enforce your rights against us if we default in respect of the MXN notes. There are some limitations on the extent to which the trustee acts on your behalf, which we describe under "—Defaults, Remedies and Waiver of Defaults."
- Second, the trustee performs administrative duties for us, such as making interest payments and sending notices to holders of MXN notes.

Ranking of the MXN Notes

We are a holding company and our principal assets are shares that we hold in our subsidiaries. Our MXN notes will not be secured by any of our assets or properties. As a result, by owning the MXN notes, you will be one of our unsecured creditors. The MXN notes will not be subordinated to any of our other unsecured debt obligations. In the event of a bankruptcy or liquidation proceeding against us, the MXN notes would rank equally in right of payment with all our other unsecured and unsubordinated debt.

The MXN notes will not be guaranteed by any of our subsidiaries. Claims of creditors of our subsidiaries, including trade creditors and bank and other lenders, will have priority over the holders of the MXN notes in claims to assets of our subsidiaries.

All of our outstanding debt securities that were issued in the Mexican and international markets through mid-September 2011 are unconditionally guaranteed by Telcel. Accordingly, the holders of those outstanding debt securities will have priority over the holders of the MXN notes with respect to claims to the assets of Telcel.

Stated Maturity and Maturity

The day on which the principal amount of the MXN notes is scheduled to become due is called the "stated maturity" of the principal. The principal may become due before the stated maturity by reason of redemption or acceleration after a default. The day on which the principal actually becomes due, whether at the stated maturity or earlier, is called the "maturity" of the principal.

We also use the terms "stated maturity" and "maturity" to refer to the dates when interest payments become due. For example, we may refer to a regular interest payment date when an installment of interest is scheduled to become due as the "stated maturity" of that installment. When we refer to the "stated maturity" or the "maturity" of the MXN notes without specifying a particular payment, we mean the stated maturity or maturity, as the case may be, of the principal.

Payments of Interest

The MXN notes will bear interest at a fixed or floating rate. If the MXN notes bear interest at a floating rate, the floating interest rate formula will be based on one or more base rates plus or minus a fixed amount or multiplied by a specified percentage.

Form and Denominations

The MXN notes will be issued only in registered form without coupons and in minimum denominations of Ps.2,000,000 principal amount and integral multiples of Ps.10,000 in excess thereof, unless otherwise specified in the applicable prospectus supplement. *(Section 302)*

Except in limited circumstances, the MXN notes will be issued in the form of global debt securities. See "Form of MXN Notes, Clearing and Settlement."

Further Issues

Unless otherwise specified in the applicable prospectus supplement, we reserve the right, from time to time without the consent of holders of the MXN notes, to issue additional MXN notes on terms and conditions identical to those of the previously issued MXN notes of a series (except for issue date, issue price and the date from which interest will accrue and, if applicable, first be paid), which additional MXN notes will increase the aggregate principal amount of, and will be consolidated and form a single series with, the MXN notes of that series. *(Section 203)*

Payment Provisions

Payment of Purchase Price

You are required to pay for the purchase of MXN notes in Mexican pesos. The agents or the underwriters may, in their discretion and upon your request, arrange for the conversion of a payment in U.S. dollars or another currency into Mexican pesos in order to facilitate the purchase of MXN notes. All conversions will be made by the agents or the underwriters at the applicable exchange rate quoted by them in their absolute discretion and on the terms that they may from time to time establish in accordance with their regular foreign exchange practice. You will be responsible for paying all commissions and fees for any currency conversion related to the purchase of MXN notes.

Currency of Payments

We will pay principal, interest, additional interest and any other amounts due in respect of the MXN notes in Mexican pesos. Investors with accounts that cannot accept payments on the MXN notes in Mexican pesos must determine how to convert these payments into U.S. dollars or another currency. Your financial institution may automatically convert payments from Mexican pesos into U.S. dollars or another currency if you do not arrange for Mexican pesos denominated account facilities. You will be responsible for paying all commissions and fees related to any currency conversion with respect to any payment on the MXN notes.

Payments on MXN Notes

We will pay interest on the MXN notes on the interest payment dates stated in the applicable prospectus supplement and at maturity. Each payment of interest due on an interest payment date or at maturity will include interest accrued from and including the last date to which interest has been paid or made available for payment, or from the issue date, if none has been paid or made available for payment, to but excluding the relevant payment date.

For interest due on MXN notes on an interest payment date, we will pay the interest to the holder in whose name the MXN notes are registered at the close of business on the regular record date relating to the interest payment date. For interest due at maturity but on a day that is not an interest payment date, we will pay the interest to the person or entity entitled to receive the principal of the

MXN note. For principal due on MXN notes at maturity, we will pay the amount to the holder of the MXN notes against surrender of the MXN notes at the proper place of payment. *(Section 306)*

Unless otherwise specified in the applicable prospectus supplement, we will compute interest on MXN notes bearing interest at a fixed rate on the basis of the actual number of days during the relevant interest period and a 360-day year.

The regular record dates relating to the interest payment dates for any series of MXN notes will be set forth in the applicable prospectus supplement.

Payments on Global MXN Notes. For MXN notes issued in global form, we will make payments on the MXN notes in accordance with the applicable procedures of the depositary as in effect from time to time. *(Section 1002)* Under those procedures, we will make payments directly to the depositary, or its nominee, and not to any indirect holders who own beneficial interests in a global MXN note. An indirect holder's right to receive those payments will be governed by the rules and practices of the depositary and its participants.

Payments on Certificated MXN Notes. For MXN notes issued in certificated form, we will pay interest that is due on an interest payment date by check mailed on the interest payment date to the holder at the holder's address shown on the trustee's records as of the close of business on the regular record date, and we will make all other payments by check to the paying agent described below, against surrender of the MXN note. All payments by check may be made in next-day funds, that is, funds that become available on the day after the check is cashed. If we issue MXN notes in certificated form, holders of MXN notes in certificated form will be able to receive payments of principal and interest on their MXN notes at the office of our paying agent maintained in New York City. *(Sections 202 and 306)*

Payment When Offices Are Closed

If any payment is due on a MXN note on a day that is not a business day, we will make the payment on the day that is the next business day. Payments postponed to the next business day in this situation will be treated under the indenture as if they were made on the original due date. Postponement of this kind will not result in a default under the MXN notes or the indenture, and no interest will accrue on the postponed amount from the original due date to the next day that is a business day.

"Business day" means any day that is (a) not Saturday, Sunday or any other day on which banking institutions in London, New York City or Mexico City generally are authorized or obligated by law, regulation or executive order to close and (b) a day on which banks and financial institutions in Mexico are open for business with the general public. *(Section 101)*

Paying Agents

If we issue MXN notes in certificated form, we may appoint one or more financial institutions to act as our paying agents, at whose designated offices the MXN notes may be surrendered for payment at their maturity. We may add, replace or terminate paying agents from time to time; *provided* that if any MXN notes are issued in certificated form, so long as such MXN notes are outstanding, we will maintain a paying agent in New York City. We may also choose to act as our own paying agent. Initially, we have appointed the trustee, at its corporate trust office in New York City, as a paying agent. We must notify you of changes in the paying agents as described under "—Notices."

Unclaimed Payments

All money paid by us to the trustee or any paying agent that remains unclaimed at the end of two years after the amount is due to a holder will be repaid to us. After that two-year period, the holder may look only to us for payment and not to the trustee, any paying agent or anyone else. *(Section 1003)*

Payment of Additional Interest

We are required by Mexican law to deduct Mexican withholding taxes from payments of interest to holders of MXN notes who are not residents of Mexico for tax purposes as described under "Taxation—Mexican Tax Considerations."

We will pay to holders of the MXN notes all additional interest that may be necessary so that every net payment of interest or principal or premium to the holder will not be less than the amount provided for in the MXN notes. By net payment, we mean the amount that we or our paying agent will pay the holder after deducting or withholding an amount for or on account of any present or future taxes, duties, assessments or other governmental charges imposed or levied with respect to that payment by a Mexican taxing authority.

Our obligation to pay additional interest is, however, subject to several important exceptions. We will not pay additional interest to or on behalf of any holder or beneficial owner, or to the trustee, for or on account of any of the following:

- any taxes, duties, assessments or other governmental charges imposed solely because at any time there is or was a connection between the holder and Mexico (other than the mere receipt of a payment or the ownership or holding of a MXN note);

- any taxes, duties, assessments or other governmental charges imposed solely because the holder or any other person fails to comply with any certification, identification or other reporting requirement concerning the nationality, residence, identity or connection with Mexico of the holder or any beneficial owner of the MXN note if compliance is required by law, regulation or by an applicable income tax treaty to which Mexico is a party, as a precondition to exemption from, or reduction in the rate of, the tax, assessment or other governmental charge and we have given the holders at least 30 calendar days' notice prior to the first payment date with respect to which such certification, identification or reporting requirement is required to the effect that holders will be required to provide such information and identification;
- any taxes, duties, assessments or other governmental charges with respect to a MXN note presented for payment more than 15 days after the date on which the payment became due and payable or the date on which payment thereof is duly provided for and notice thereof given to holders, whichever occurs later, except to the extent that the holders of such MXN note would have been entitled to such additional interest on presenting such MXN note for payment on any date during such 15-day period;
- any estate, inheritance, gift or other similar tax, assessment or other governmental charge imposed with respect to the MXN notes;
- any tax, duty, assessment or other governmental charge payable otherwise than by deduction or withholding from payments on the MXN notes;
- any payment on a MXN note to a holder that is a fiduciary or partnership or a person other than the sole beneficial owner of any such payment, to the extent that a beneficiary or settlor with respect to such fiduciary, a member of such a partnership or the beneficial owner of the payment would not have been entitled to the additional interest had the beneficiary, settlor, member or beneficial owner been the holder of such MXN note;
- any taxes, duties, assessments or other governmental charges that are imposed on a payment to an individual and are required to be made pursuant to European Council Directive 2003/48/EC on the taxation of savings income or any other directive implementing the conclusions of the ECOFIN Council meetings of November 26 and 27, 2000, December 13, 2001, and January 21, 2003, or any law or agreement implementing or complying with, or introduced in order to conform to, such a directive; and
- any combination of the items in the bullet points above. *(Section 1009)*

The limitations on our obligations to pay additional interest described in the second bullet point above will not apply if the provision of information, documentation or other evidence described in the applicable bullet point would be materially more onerous, in form, in procedure or in the substance of information disclosed, to a holder or beneficial owner of a MXN note, taking into account any relevant differences between U.S. and Mexican law, regulation or administrative practice, than comparable information or other reporting requirements imposed under U.S. tax law (including the United States/Mexico Income Tax Treaty), regulations (including proposed regulations) and administrative practice. *(Section 1009(a))*

Applicable Mexican regulations currently allow us to withhold at a reduced rate, provided that we comply with certain information reporting requirements. Accordingly, the limitations on our obligations to pay additional interest described in the second bullet point above also will not apply unless (a) the provision of the information, documentation or other evidence described in the applicable bullet point is expressly required by the applicable Mexican regulations, (b) we cannot obtain the information, documentation or other evidence necessary to comply with the applicable Mexican regulations on our own through reasonable diligence and (c) we otherwise would meet the requirements for application of the applicable Mexican regulations.

In addition, the limitation described in the second bullet point above does not require that any person, including any non-Mexican pension fund, retirement fund or financial institution, register with the Ministry of Finance and Public Credit (*Secretaría de Hacienda y Crédito Público*) to establish eligibility for an exemption from, or a reduction of, Mexican withholding tax.

We will remit the full amount of any Mexican taxes withheld to the applicable Mexican taxing authorities in accordance with applicable law. We will also provide the trustee with documentation satisfactory to the trustee evidencing the payment of Mexican taxes in respect of which we have paid any additional interest. We will provide copies of such documentation to the holders of the MXN notes or the relevant paying agent upon request. *(Section 1009(a))*

In the event that additional interest actually paid with respect to the MXN notes pursuant to the preceding paragraphs is based on rates of deduction or withholding of withholding taxes in excess of the appropriate rate applicable to the holder of such MXN notes, and as a result thereof such holder is entitled to make a claim for a refund or credit of such excess from the authority imposing such withholding tax, then such holder shall, by accepting such MXN notes, be deemed to have assigned and transferred all right, title and interest to any such claim for a refund or credit of such excess to us. However, by making such assignment, the holder makes no representation or warranty that we will be entitled to receive such claim for a refund or credit and incurs no other obligation with respect thereto. *(Section 1009(d))*

Any reference in this prospectus, the base indenture, any applicable supplemental indenture or the MXN notes to principal, premium, if any, interest or any other amount payable in respect of the MXN notes by us will be deemed also to refer to any additional interest that may be payable with respect to that amount under the obligations referred to in this subsection. *(Section 1009(e))*

Optional Redemption

We will not be permitted to redeem the MXN notes before their stated maturity, except as set forth below. The MXN notes will not be entitled to the benefit of any sinking fund—meaning that we will not deposit money on a regular basis into any separate account to repay your MXN notes. In addition, you will not be entitled to require us to repurchase your MXN notes from you before the stated maturity. *(Section 1101(a))*

Optional Redemption

If so indicated in the applicable prospectus supplement, we will be entitled, at our option, to redeem some or all of the outstanding MXN notes of any series from time to time at the redemption price set forth in the applicable prospectus supplement. If the MXN notes of a series are redeemable only on or after a specified date or upon the satisfaction of additional conditions, the prospectus supplement will specify the date or describe the conditions. In each case we will also pay you accrued and unpaid interest, if any, through the redemption date. MXN notes will stop bearing interest on the redemption date, even if you do not collect your money. *(Sections 301, 1101 and 1104)*

Redemption for Taxation Reasons

If, as a result of any amendment to, or change in, the laws (or any rules or regulations thereunder) of Mexico or any political subdivision or taxing authority thereof or therein affecting taxation, or any amendment to or change in an official interpretation or application of such laws, rules or regulations, which amendment to or change of such laws, rules or regulations becomes effective on or after the date on which the MXN notes of any series are issued, we would be obligated, after taking such measures as we may consider reasonable to avoid this requirement, to pay additional interest in excess of the additional interest attributable to a Mexican withholding tax rate of 4.9% with respect to the MXN notes of that series (see "—Payment of Additional Interest" and "Taxation—Mexican Tax Considerations"), then, at our option, all, but not less than all, of the MXN notes of that series may be redeemed at any time on giving not less than 30 nor more than 60 days' notice, at a redemption price equal to 100% of the outstanding principal amount of the MXN notes being redeemed, plus accrued and unpaid interest, any premium applicable in the case of a redemption prior to maturity and any additional interest due thereon up to but not including the date of redemption; *provided*, *however*, that (1) no notice of redemption for tax reasons may be given earlier than 90 days prior to the earliest date on which we would be obligated to pay such additional interest if a payment on the MXN notes of that series were then due and (2) at the time such notice of redemption is given such obligation to pay such additional interest remains in effect. *(Section 1101(c))*

Prior to the publication of any notice of redemption for taxation reasons, we will deliver to the trustee:

- a certificate signed by one of our duly authorized representatives stating that we are entitled to effect the redemption and setting forth a statement of facts showing that the conditions precedent to our right of redemption for taxation reasons have occurred; and
- an opinion of Mexican legal counsel (which may be our counsel) of recognized standing to the effect that we have or will become obligated to pay such additional interest as a result of such change or amendment. *(Section 1101(d))*

This notice, after it is delivered to the holders, will be irrevocable. *(Section 1102)*

Covenants

The following covenants will apply to us and certain of our subsidiaries for so long as any MXN note remains outstanding. These covenants restrict our ability and the ability of these subsidiaries to enter into certain transactions. However, these covenants do not limit our ability to incur indebtedness or require us to comply with financial ratios or to maintain specified levels of net worth or liquidity.

Limitation on Liens

We may not, and we may not allow any of our restricted subsidiaries to, create, incur, issue or assume any liens on our restricted property to secure debt where the debt secured by such liens, plus the aggregate amount of our attributable debt and that of our restricted subsidiaries in respect of sale and leaseback transactions, would exceed an amount equal to an aggregate of 15% of our Consolidated Net Tangible Assets unless we secure the MXN notes equally with, or prior to, the debt secured by such liens. This restriction will not, however, apply to the following:

- liens on restricted property acquired and existing on the date the property was acquired or arising after such acquisition pursuant to contractual commitments entered into prior to such acquisition;
- liens on any restricted property securing debt incurred or assumed for the purpose of financing its purchase price or the cost of its construction, improvement or repair; *provided* that such lien attaches to the restricted property within 12 months of its acquisition or the completion of its construction, improvement or repair and does not attach to any other restricted property;
- liens existing on any restricted property of any restricted subsidiary prior to the time that the restricted subsidiary became a subsidiary of ours or liens arising after that time under contractual commitments entered into prior to and not in contemplation of that event;
- liens on any restricted property securing debt owed by a subsidiary of ours to us or to another of our subsidiaries; and
- liens arising out of the refinancing, extension, renewal or refunding of any debt described above, provided that the aggregate principal amount of such debt is not increased and such lien does not extend to any additional restricted property. *(Section 1006)*

"Consolidated Net Tangible Assets" means total consolidated assets less (1) all current liabilities, (2) all goodwill, (3) all trade names, trademarks, patents and other intellectual property assets and (4) all licenses, each as set forth on our most recent consolidated balance sheet and computed in accordance with International Financial Reporting Standards ("IFRS"). *(Section 101)*

"Restricted property" means (1) any exchange and transmission equipment, switches, cellular base stations, microcells, local links, repeaters and related facilities, whether owned as of the date of the indenture or acquired after that date, used in connection with the provision of telecommunications services in Mexico, including any land, buildings, structures and other equipment or fixtures that constitute any such facility, owned by us or our restricted subsidiaries and (2) any share of capital stock of any restricted subsidiary. *(Section 101)*

"Restricted subsidiaries" means our subsidiaries that own restricted property. *(Section 101)*

Limitation on Sales and Leasebacks

We may not, and we may not allow any of our restricted subsidiaries to, enter into any sale and leaseback transaction without effectively providing that the MXN notes will be secured equally and ratably with or prior to the sale and leaseback transaction, unless:

- the aggregate principal amount of all debt then outstanding that is secured by any lien on any restricted property that does not ratably secure the MXN notes (excluding any secured indebtedness permitted under "—Limitation on Liens") plus the aggregate amount of our attributable debt and the attributable debt of our restricted subsidiaries in respect of sale and leaseback transactions then outstanding (other than any sale and leaseback transaction permitted under the following bullet point) would not exceed an amount equal to 15% of our Consolidated Net Tangible Assets; or
- we or one of our restricted subsidiaries, within 12 months of the sale and leaseback transaction, retire an amount of our secured debt which is not subordinate to the MXN notes in an amount equal to the greater of (1) the net proceeds of the sale or transfer of the property or other assets that are the subject of the sale and leaseback transaction and (2) the fair market value of the restricted property leased. *(Section 1008)*

"Sale and leaseback transaction" means an arrangement between us or one of our restricted subsidiaries and a bank, insurance company or other lender or investor where we or our restricted subsidiary leases a restricted property for an initial term of three years or more that was or will be sold by us or our restricted subsidiary to that lender or investor for a sale price of U.S.$1 million (or its equivalent in other currencies) or more. *(Section 101)*

"Attributable debt" means, with respect to any sale and leaseback transaction, the lesser of (1) the fair market value of the asset subject to such transaction and (2) the present value, discounted at a rate per annum equal to the discount rate of a capital lease obligation with a like term in accordance with IFRS, of the obligations of the lessee for net rental payments (excluding amounts on account of maintenance and repairs, insurance, taxes, assessments and similar charges and contingent rents) during the term of the lease. *(Section 101)*

Limitation on Sale of Capital Stock of Telcel

We may not, and we may not allow any of our subsidiaries to, sell, transfer or otherwise dispose of any shares of capital stock of Telcel if following such sale, transfer or disposition we would own, directly or indirectly, less than (1) 50% of the voting power of all of the shares of capital stock of Telcel and (2) 50% of all of the shares of capital stock of Telcel. *(Section 1007)*

Provision of Information

We will furnish the trustee with copies of our annual report and the information, documents and other reports that we are required to file with the SEC pursuant to Section 13 or 15(d) of the U.S. Securities Exchange Act of 1934, as amended (the "Exchange Act"), including our annual reports on Form 20-F and reports on Form 6-K, within 15 days after we file them with the SEC. In addition, we will make the same information, documents and other reports available, at our expense, to holders who so request in writing. *(Section 1005)*

In the event that, in the future, we are not required to file such information, documents or other reports pursuant to Section 13 or 15(d) of the Exchange Act, we will furnish on a reasonably prompt basis to the trustee and holders who so request in writing, substantially the same financial and other information that we would be required to include and file in an annual report on Form 20-F and reports on Form 6-K. *(Section 1005)*

If we become aware that a default or event of default or an event that with notice or the lapse of time would be an event of default has occurred and is continuing, as the case may be, we will deliver a certificate to the trustee describing the details thereof and the action we are taking or propose to take. *(Section 1004)*

Merger, Consolidation or Sale of Assets

We may not consolidate with or merge into any other person or, directly or indirectly, transfer, convey, sell, lease or otherwise dispose of all or substantially all of our assets and properties and may not permit any person to consolidate with or merge into us, unless all of the following conditions are met:

- if we are not the successor person in the transaction, the successor is organized and validly existing under the laws of Mexico or the United States or any political subdivision thereof and expressly assumes our obligations under the MXN notes or the indenture;
- immediately after the transaction, no default under the MXN notes has occurred and is continuing. For this purpose, "default under the MXN notes" means an event of default or an event that would be an event of default with respect to the MXN notes if the requirements for giving us default notice and for our default having to continue for a specific period of time were disregarded. See "—Defaults, Remedies and Waiver of Defaults"; and
- we have delivered to the trustee an officer's certificate and opinion of counsel, each stating, among other things, that the transaction complies with the indenture. *(Section 801)*

If the conditions described above are satisfied, we will not have to obtain the approval of the holders in order to merge or consolidate or to sell or otherwise dispose of our properties and assets substantially as an entirety. In addition, these conditions will apply only if we wish to merge into or consolidate with another person or sell or otherwise dispose of all or substantially all of our assets and properties. We will not need to satisfy these conditions if we enter into other types of transactions, including any transaction in which we acquire the stock or assets of another person, any transaction that involves a change of control of our company, but in which we do not merge or consolidate, and any transaction in which we sell or otherwise dispose of less than substantially all our assets.

Defaults, Remedies and Waiver of Defaults

You will have special rights if an event of default with respect to the MXN notes you hold occurs and is not cured, as described below.

Events of Default

Each of the following will be an "event of default" with respect to the MXN notes of any series:

- we fail to pay interest on any MXN note of that series within 30 days after its due date;
- we fail to pay the principal or premium, if any, of any MXN note of that series on its due date;
- we remain in breach of any covenant in the indenture for the benefit of holders of the MXN notes of that series for 60 days after we receive a notice of default (sent by the trustee or the holders of not less than 25% in principal amount of the MXN notes of that series) stating that we are in breach;
- we or Telcel experience a default or event of default under any instrument relating to debt having an aggregate principal amount exceeding U.S.$50 million (or its equivalent in other currencies) that constitutes a failure to pay principal or interest when due or results in the acceleration of the debt prior to its maturity;

- a final judgment is rendered against us or Telcel in an aggregate amount in excess of U.S.$50 million (or its equivalent in other currencies) that is not discharged or bonded in full within 30 days; or
- we or Telcel file for bankruptcy, or other events of bankruptcy, insolvency or reorganization or similar proceedings occur relating to us or Telcel.

Remedies Upon Event of Default

If an event of default with respect to the MXN notes of any series occurs and is not cured or waived, the trustee, at the written request of holders of not less than 25% in principal amount of the MXN notes of that series, may declare the entire principal amount of all the MXN notes of that series to be due and payable immediately, and upon any such declaration the principal, any accrued interest and any additional interest shall become due and payable. If, however, an event of default occurs because of a bankruptcy, insolvency or reorganization relating to us or Telcel, the entire principal amount of all the MXN notes of that series and any accrued interest and any additional interest will be automatically accelerated, without any action by the trustee or any holder and any principal, interest or additional interest will become immediately due and payable. *(Section 502)*

Each of the situations described in the preceding paragraph is called an acceleration of the maturity of the MXN notes. If the maturity of the MXN notes of any series is accelerated and a judgment for payment has not yet been obtained, the holders of a majority in aggregate principal amount of the MXN notes of that series may cancel the acceleration for all the MXN notes of that series, provided that all amounts then due (other than amounts due solely because of such acceleration) have been paid and all other defaults with respect to the MXN notes of that series have been cured or waived. *(Section 502)*

If any event of default occurs, the trustee will have special duties. In that situation, the trustee will be obligated to use those of its rights and powers under the indenture, and to use the same degree of care and skill in doing so, that a prudent person would use under the circumstances in conducting his or her own affairs.

Except as described in the prior paragraph, the trustee is not required to take any action under the indenture at the request of any holders unless the holders offer the trustee reasonable protection, known as an indemnity, from expenses and liability. If the trustee receives an indemnity that is reasonably satisfactory to it, the holders of a majority in principal amount of the MXN notes of any series may direct the time, method and place of conducting any lawsuit or other formal legal action seeking any remedy available to the trustee. These majority holders may also direct the trustee in performing any other action under the indenture with respect to the MXN notes of that series. *(Sections 512 and 603(e))*

Before you bypass the trustee and bring your own lawsuit or other formal legal action or take other steps to enforce your rights or protect your interests relating to the MXN notes of any series, the following must occur:

- you must give the trustee written notice that an event of default has occurred and the event of default has not been cured or waived;
- the holders of not less than 25% in principal amount of the MXN notes of that series must make a written request that the trustee take action with respect to the MXN notes of that series because of the default and they or other holders must offer to the trustee indemnity reasonably satisfactory to the trustee against the cost and other liabilities of taking that action;
- the trustee must not have taken action for 60 days after the above steps have been taken; and
- during those 60 days, the holders of a majority in principal amount of the MXN notes of that series must not have given the trustee directions that are inconsistent with the written request of the holders of not less than 25% in principal amount of the MXN notes of that series. *(Section 507)*

You will be entitled, however, at any time to bring a lawsuit for the payment of money due on your MXN notes on or after its due date. *(Section 508)*

Book-entry and other indirect holders should consult their banks or brokers for information on how to give notice or direction to or make a request of the trustee and how to declare or cancel an acceleration of the maturity.

Waiver of Default

The holders of not less than a majority in principal amount of the MXN notes of any series may waive a past default for all the MXN notes of that series. If this happens, the default will be treated as if it had been cured. No one can waive a payment default on any MXN note, however, without the approval of the particular holder of that MXN note. *(Section 513)*

Modification and Waiver

There are three types of changes we can make to the indenture and the outstanding MXN notes under the indenture.

Changes Requiring Each Holder's Approval

The following changes cannot be made without the approval of each holder of an outstanding MXN note affected by the change:

- a change in the stated maturity of any principal or interest payment on a MXN note;
- a reduction in the principal amount, the interest rate or the redemption price for a MXN note;
- a change in the obligation to pay additional interest;
- a change in the currency of any payment on a MXN note other than as permitted by the MXN note;
- a change in the place of any payment on a MXN note;
- an impairment of the holder's right to sue for payment of any amount due on its MXN note;
- a reduction in the percentage in principal amount of the MXN notes of any series needed to change the indenture or the outstanding MXN notes of such series under the indenture; and
- a reduction in the percentage in principal amount of the MXN notes of any series needed to waive our compliance with the indenture or to waive defaults. *(Section 902)*

Changes Not Requiring Approval

Some changes will not require the approval of holders of MXN notes. These changes are limited to specific kinds of changes, like the addition of covenants, events of default or security, and other clarifications and changes that would not adversely affect the holders of outstanding MXN notes under the indenture in any material respect. *(Section 901)*

Changes Requiring Majority Approval

Any other change to the indenture or the MXN notes of any series will be required to be approved by the holders of a majority in principal amount of the MXN notes of the series affected by the change or waiver. The required approval must be given by written consent. *(Section 902)*

The same majority approval will be required for us to obtain a waiver of any of our covenants in the indenture. Our covenants include the promises we make about merging and creating liens on our interests, which we describe under "—Merger, Consolidation or Sale of Assets" and "—Covenants." If the holders approve a waiver of a covenant, we will not have to comply with it. The holders, however, cannot approve a waiver of any provision in a particular MXN note or the indenture, as it affects that MXN note, that we cannot change without the approval of the holder of that MXN note as described under in "—Changes Requiring Each Holder's Approval," unless that holder approves the waiver. *(Section 1011)*

Book-entry and other indirect holders should consult their banks or brokers for information on how approval may be granted or denied if we seek to change the indenture or the MXN notes or request a waiver.

Defeasance

We may, at our option, elect to terminate (1) all of our obligations with respect to the MXN notes of any series ("legal defeasance"), except for certain obligations, including those regarding any trust established for defeasance and obligations relating to the transfer and exchange of the MXN notes, the replacement of mutilated, destroyed, lost or stolen MXN notes and the maintenance of agencies with respect to the MXN notes *(Sections 1201 and 1202)* or (2) our obligations under the covenants in the indenture, so that any failure to comply with such obligations will not constitute an event of default ("covenant defeasance") in respect of the MXN notes of that series *(Sections 1201 and 1203)*. In order to exercise either legal defeasance or covenant defeasance, we must irrevocably deposit with the trustee Mexican pesos, government obligations of the Mexican government, Mexican governmental agency or Mexican central bank or any combination thereof, in such amounts as will be sufficient to pay the principal, premium, if any, and interest (including additional interest) in respect of the outstanding MXN notes of the affected series on the maturity date, and comply with certain other conditions, including, without limitation, the delivery of opinions of counsel as to specified tax and other matters. *(Sections 1201, 1204 and 1205)*

If we elect either legal defeasance or covenant defeasance with respect to any MXN note of any series, we must so elect it with respect to all of the MXN notes of that series. (*Section 1201)*

Special Rules for Actions by Holders

When holders take any action under the indenture, such as giving a notice of default, declaring an acceleration, approving any change or waiver or giving the trustee an instruction, we will apply the following rules.

Only Outstanding MXN notes are Eligible for Action by Holders

Only holders of outstanding MXN notes will be eligible to vote or participate in any action by holders. In addition, we will count only outstanding MXN notes in determining whether the various percentage requirements for voting or taking action have been met. For these purposes, a MXN note will not be "outstanding" if it has been surrendered for cancellation or if we have deposited or set aside, in trust for its holder, money for its payment or redemption. *(Section 101)*

Determining Record Dates for Action by Holders

We will generally be entitled to set any day as a record date for the purpose of determining the holders that are entitled to take action under the indenture. In some limited circumstances, only the trustee will be entitled to set a record date for action by holders. If we or the trustee set a record date for an approval or other action to be taken by holders, that vote or action may be taken only by persons or entities who are holders on the record date and must be taken during the period that we specify for this purpose, or that the trustee specifies if it sets the record date. We or the trustee, as applicable, may shorten or lengthen this period from time to time. This period, however, may not extend beyond the 180th day after the record date for the action. In addition, record dates for any global MXN note may be set in accordance with procedures established by the depositary from time to time. *(Section 104)*

Transfer Agents

We may appoint one or more transfer agents, at whose designated offices any MXN notes in certificated form may be transferred or exchanged and also surrendered before payment is made at maturity. Initially, we have appointed the trustee, at its corporate trust office in New York City, as transfer agent. We may also choose to act as our own transfer agent. We must notify you of changes in the transfer agent as described under "—Notices." If we issue MXN notes in certificated form, holders of MXN notes in certificated form will be able to transfer their MXN notes, in whole or in part, by surrendering the MXN notes, with a duly completed form of transfer, for registration of transfer at the office of our transfer agent in New York City. We will not charge any fee for the registration or transfer or exchange, except that we may require the payment of a sum sufficient to cover any applicable tax or other governmental charge payable in connection with the transfer. *(Sections 304 and 1002)*

Notices

As long as we issue MXN notes in global form, notices to be given to holders will be given to Euroclear Bank S.A./N.V. ("Euroclear") and Clearstream Banking, société anonyme ("Clearstream"), in accordance with their applicable policies as in effect from time to time. If we issue MXN notes in certificated form, notices to be given to holders will be sent by mail to the respective addresses of the holders as they appear in the trustee's records, and will be deemed given when mailed. *(Section 106)*

Neither the failure to give any notice to a particular holder, nor any defect in a notice given to a particular holder, will affect the sufficiency of any notice given to another holder. *(Section 106)*

Governing Law

The indenture and the MXN notes will be governed by, and construed in accordance with, the laws of the State of New York, United States of America. *(Section 113)*

Submission to Jurisdiction

In connection with any legal action or proceeding arising out of or relating to the MXN notes or the indenture (subject to the exceptions described below), we have:

- submitted to the jurisdiction of any U.S. federal or New York state court in the Borough of Manhattan, The City of New York, and any appellate court thereof;
- agreed that all claims in respect of such legal action or proceeding may be heard and determined in such U.S. federal or New York state court and waived, to the fullest extent permitted by law, the defense of an inconvenient forum to the maintenance of such action or proceeding and any right of jurisdiction in such action or proceeding on account of our place of residence or domicile; and
- appointed CT Corporation System, with an office at 111 Eighth Avenue, New York, New York 10011, United States of America, as process agent.

The process agent will receive, on our behalf, service of copies of the summons and complaint and any other process which may be served in any such legal action or proceeding brought in such New York state or U.S. federal court sitting in New York City. Service may be made by mailing or delivering a copy of such process to us at the address specified above for the process agent. *(Section 115)*

A final judgment in any of the above legal actions or proceedings will be conclusive and may be enforced in other jurisdictions, in each case, to the extent permitted under the applicable laws of such jurisdiction.

In addition to the foregoing, the holders may serve legal process in any other manner permitted by applicable law. The above provisions do not limit the right of any holder to bring any action or proceeding against us or our properties in other courts where jurisdiction is independently established. *(Section 115)*

To the extent that we have or hereafter may acquire or have attributed to us any sovereign or other immunity under any law, we have agreed to waive, to the fullest extent permitted by law, such immunity from jurisdiction or to service of process in respect of any legal suit, action or proceeding arising out of or relating to the indenture or the MXN notes. *(Section 115)*

Currency Indemnity

Our obligations under the MXN notes will be discharged only to the extent that the relevant holder is able to purchase Mexican pesos with any other currency paid to that holder in accordance with any judgment or otherwise. If the holder cannot purchase Mexican pesos in the amount originally to be paid, we have agreed to pay the difference. The holder, however, agrees that, if the amount of Mexican pesos purchased exceeds the amount originally to be paid to such holder, the holder will reimburse the excess to us. The holder will not be obligated to make this reimbursement if we are in default of our obligations under the MXN notes. *(Section 1010)*

Our Relationship with the Trustee

The Bank of New York Mellon is initially serving as the trustee for the MXN notes. The Bank of New York Mellon or its affiliates may have other business relationships with us from time to time.

FORM OF MXN NOTES, CLEARING AND SETTLEMENT

Unless otherwise specified in the applicable prospectus supplement, the following information relates to the form, clearing and settlement of the MXN notes.

We will issue the MXN notes as one or more global securities registered in the name of a common depositary for Clearstream and Euroclear. Investors may hold book-entry interests in the global securities through organizations that participate, directly or indirectly, in Clearstream and/or Euroclear. Book-entry interests in the MXN notes and all transfers relating to the MXN notes will be reflected in the book-entry records of Clearstream and Euroclear.

Holders of MXN notes may own beneficial interests in the global security through the facilities of *S.D. Indeval Institución para el Depósito de Valores, S.A. de C.V.* ("Indeval"), which is a participant in each of Clearstream and Euroclear. Indeval is a privately owned securities depositary that is authorized and acts as a clearinghouse, depositary and central custodian for securities in Mexico. As such, Indeval provides settlement and transfer services and is the registration agent for Mexican securities transactions, eliminating the need for physical transfer of securities. Holders who own beneficial interests in the MXN notes through Indeval may be required to certify as to their residency in accordance with the procedures of Indeval.

The distribution of the MXN notes will be carried through Clearstream and Euroclear. Any secondary market trading of book-entry interests in the MXN notes will take place through participants in Clearstream and Euroclear and will settle in same-day funds. Owners of book-entry interests in the MXN notes will receive payments relating to their MXN notes in Mexican pesos. Clearstream and Euroclear have established electronic securities and payment transfer, processing, depositary and custodial links among themselves and others, either directly or through custodians and depositaries. These links allow securities to be issued, held and transferred among the clearing systems without the physical transfer of certificates. Special procedures to facilitate clearance and settlement have been established among these clearing systems to trade securities across borders in the secondary market.

The policies of Clearstream and Euroclear will govern payments, transfers, exchange and other matters relating to the investor's interest in securities held by them. We have no responsibility for any aspect of the records kept by Clearstream or Euroclear or any of their direct or indirect participants. We do not supervise these systems in any way.

Clearstream and Euroclear and their participants perform these clearance and settlement functions under agreements they have made with one another or with their customers. You should be aware that they are not obligated to perform or continue to perform these procedures and may modify them or discontinue them at any time.

Except as provided below, owners of beneficial interest in the MXN notes will not be entitled to have the MXN notes registered in their names, will not receive or be entitled to receive physical delivery of the MXN notes in definitive form and will not be considered the owners or holders of the MXN notes under the indenture governing the MXN notes, including for purposes of receiving any reports delivered by us or the trustee pursuant to the indenture. Accordingly, each person owning a beneficial interest in a MXN notes must rely on the procedures of the Clearstream and Euroclear and, if that person is not a participant, on the procedures of the participant through which that person owns its interest, in order to exercise any rights of a holder of MXN notes.

This description of the clearing systems reflects our understanding of the rules and procedures of Clearstream and Euroclear as they are currently in effect. These systems could change their rules and procedures at any time. We have obtained the information in this section concerning Clearstream and Euroclear and their book-entry systems and procedures from sources that we believe to be reliable, but we take no responsibility for the accuracy of this information.

Clearstream and Euroclear

Clearstream has advised that: it is a duly licensed bank organized as a *société anonyme* incorporated under the laws of Luxembourg and is subject to regulation by the Luxembourg Commission for the supervision of the financial sector (*Commission de surveillance du secteur financier*); it holds securities for its customers and facilitates the clearance and settlement of securities transactions among them, and does so through electronic book-entry transfers between the accounts of its customers, thereby eliminating the need for physical movement of certificates; it provides other services to its customers, including safekeeping, administration, clearance and settlement of internationally traded securities and lending and borrowing of securities; it interfaces with the domestic markets in over 30 countries through established depositary and custodial relationships; its customers include worldwide securities brokers and dealers, banks, trust companies and clearing corporations and may include certain other professional financial intermediaries; its U.S. customers are limited to securities brokers and dealers and banks; and indirect access to the Clearstream system is also available to others that clear through Clearstream customers or that have custodial relationships with its customers, such as banks, brokers, dealers and trust companies.

Euroclear has advised that: it is incorporated under the laws of Belgium as a bank and is subject to regulation by the Belgian Banking and Finance Commission (*Commission Bancaire et Financiére*) and the National Bank of Belgium (*Banque Nationale de Belgique*); it holds securities for its participants and facilitates the clearance and settlement of securities transactions among them; it does so through simultaneous electronic book-entry delivery against payments, thereby eliminating the need for physical movement of certificates; it provides other services to its participants, including credit, custody, lending and borrowing of securities and tri-party collateral management; it interfaces with the domestic markets of several countries; its customers include banks, including central banks, securities brokers and dealers, banks, trust companies and clearing corporations and certain other professional financial intermediaries; indirect access to the Euroclear system is also available to others that clear through Euroclear customers or that have custodial relationships with Euroclear customers; and all securities in Euroclear are held on a fungible basis, which means that specific certificates are not matched to specific securities clearance accounts.

Clearance and Settlement Procedures

We understand that investors that will hold their MXN notes through Clearstream or Euroclear accounts will follow the settlement procedures that are applicable to securities in registered form. MXN notes will be credited to the securities custody accounts of Clearstream and Euroclear participants on the business day following the settlement date for value on the settlement date. They will be credited either free of payment or against payment for value on the settlement date.

We understand that secondary market trading between Clearstream and/or Euroclear participants will occur in the ordinary way following the applicable rules and operating procedures of Clearstream and Euroclear. Secondary market trading will be settled using procedures applicable to securities in registered form.

You should be aware that investors will only be able to make and receive deliveries, payments and other communications involving the MXN notes through Clearstream and Euroclear on business days. Those systems may not be open for business on days when banks, brokers and other institutions are open for business in the United States or Mexico.

In addition, because of time zone differences, there may be problems with completing transactions involving Clearstream and Euroclear on the same business day as in the United States or Mexico. U.S. and Mexican investors who wish to transfer their interests in the MXN notes, or to make or receive a payment or delivery of the MXN notes on a particular day may find that the transactions will not be performed until the next business day in Luxembourg or Brussels, depending on whether Clearstream or Euroclear is used.

Clearstream or Euroclear will credit payments to the cash accounts of participants in Clearstream or Euroclear in accordance with the relevant systemic rules and procedures, to the extent received by its depositary. Clearstream or Euroclear, as the case may be, will take any other action permitted to be taken by a holder under the indenture on behalf of a Clearstream or Euroclear participant only in accordance with its relevant rules and procedures.

Clearstream and Euroclear have agreed to the foregoing procedures in order to facilitate transfers of the MXN notes among participants of Clearstream and Euroclear. However, they are under no obligation to perform or continue to perform those procedures, and they may discontinue those procedures at any time.

Same-Day Settlement and Payment

The underwriters will settle the MXN notes in immediately available funds. We will make all payments of principal and interest on the MXN notes in immediately available funds. Secondary market trading between participants in Clearstream and Euroclear will occur in accordance with the applicable rules and operating procedures of Clearstream and Euroclear and will be settled using the procedures applicable to securities in immediately available funds. See "—Clearstream and Euroclear."

Certificated MXN Notes

We will issue MXN notes to you in certificated registered form only if:

- Clearstream or Euroclear is no longer willing or able to discharge its responsibilities properly, and neither the trustee nor we have appointed a qualified successor within 90 days; or
- we, at our option, notify the trustee that we elect to cause the issuance of certificated MXN notes; or
- certain other events provided in the indenture should occur, including the occurrence and continuance of an event of default with respect to the MXN notes.

If any of these three events occurs, the trustee will reissue the MXN notes in fully certificated registered form and will recognize the registered holders of the certificated MXN notes as holders under the indenture.

In the event that we issue certificated securities under the limited circumstances described above, then holders of certificated securities may transfer their MXN notes in whole or in part upon the surrender of the certificate to be transferred, together with a completed and executed assignment form endorsed on the definitive MXN note, at the offices of the transfer agent in New York City. Copies of this assignment form may be obtained at the offices of the transfer agent in New York City. Each time that we transfer or exchange a new MXN note in certificated form for another MXN note in certificated form, and after the transfer agent receives a completed assignment form, we will make available for delivery the new definitive MXN note at the offices of the transfer agent in New York City. Alternatively, at the option of the person requesting the transfer or exchange, we will mail, at that person's risk, the new definitive MXN note to the address of that person that is specified in the assignment form. In addition, if we issue MXN notes in certificated form, then we will make payments of principal of, interest on and any other amounts payable under the MXN notes to holders in whose names the MXN notes in certificated form are registered at the close of business on the record date for these payments. If the MXN notes are issued in certificated form, we will make payments of principal and any redemption payments against the surrender of these certificated MXN notes at the offices of the paying agent in New York City.

Unless and until we issue the MXN notes in fully-certificated, registered form,

- you will not be entitled to receive a certificate representing our interest in the MXN notes;
- all references in this prospectus or any prospectus supplement to actions by holders will refer to actions taken by a depositary upon instructions from their direct participants; and
- all references in this prospectus or in any prospectus supplement to payments and notices to holders will refer to payments and notices to the depositary as the registered holder of the MXN notes, for distribution to you in accordance with its policies and procedures.

TAXATION

The following summary of certain Mexican federal and U.S. federal income tax considerations contains a description of the principal Mexican federal and U.S. federal income tax consequences of the purchase, ownership and disposition of the MXN notes, but does not purport to be a comprehensive description of all the tax considerations that may be relevant to a decision to purchase the MXN notes. This summary does not describe any tax consequences arising under the laws of any state, locality or taxing jurisdiction other than the United States and Mexico, or U.S. federal taxes other than income taxes.

This summary is based on the tax laws of Mexico and the United States as in effect on the date of this prospectus (including the tax treaty described below), as well as on rules and regulations of Mexico and regulations, rulings and decisions of the United States available on or before such date and now in effect. All of the foregoing are subject to change, which change could apply retroactively and could affect the continued validity of this summary.

Prospective purchasers of MXN notes should consult their own tax advisors as to the Mexican, United States or other tax consequences of the purchase, ownership and disposition of the MXN notes, including, in particular, the application to their particular situations of the tax considerations discussed below, as well as the application of state, local, foreign or other tax laws.

Mexican Tax Considerations

The following is a general summary of the principal consequences under the Mexican *Ley del Impuesto sobre la Renta* (the "Mexican Income Tax Law") and rules and regulations thereunder, as currently in effect, of the purchase, ownership and disposition of the MXN notes by a holder that is not a resident of Mexico and that will not hold MXN notes or a beneficial interest therein in connection with the conduct of a trade or business through a permanent establishment in Mexico (a "foreign holder").

For purposes of Mexican taxation, tax residency is a highly technical definition that involves the application of a number of factors. Generally, an individual is a resident of Mexico if he or she has established his or her home in Mexico, and a corporation is considered a resident if it has established its principal place of business management or its effective seat of business management in Mexico. However, any determination of residence should take into account the particular situation of each person or legal entity.

U.S./Mexico and Other Tax Treaties

The United States and Mexico have entered into a Convention for the Avoidance of Double Taxation (collectively, with subsequent Protocols thereto, referred to as the "tax treaty"). Provisions of the tax treaty that may affect the taxation of certain United States holders are summarized below. The United States and Mexico have also entered into an agreement that covers the exchange of information with respect to tax matters. Mexico has also entered into and is negotiating several other tax treaties that may reduce the amount of Mexican withholding tax to which payments of interest on the MXN notes may be subject. Prospective purchasers of MXN notes should consult their own tax advisors as to the tax consequences, if any, of such treaties.

Payments of Interest, Principal and Premium in Respect of MXN Notes

Under the Mexican Income Tax Law, payments of interest we make in respect of the MXN notes (including payments of principal in excess of the issue price of such MXN notes, which, under Mexican law, are deemed to be interest) to a foreign holder will generally be subject to a Mexican withholding tax assessed at a rate of 4.9% if (1) the MXN notes are placed through banks or brokerage houses (*casas de bolsa*) in a country with which Mexico has entered into a tax treaty for the avoidance of double taxation, which is in effect, (2) the CNBV has been notified of the issuance of the MXN notes pursuant to the Mexican Income Tax Law and Article 7 of the Mexican Securities Market Law (*Ley del Mercado de Valores*) and its regulations, and (3) the information requirements specified in the general rules of the Ministry of Finance and Public Credit (*Secretaría de Hacienda y Crédito Público* or the "SHCP") are satisfied. In case such requirements are not met, the applicable withholding tax rate will be 10%. We believe that because the conditions described in (1) through (3) above will be satisfied, the applicable withholding tax rate will be 4.9%.

A higher income tax withholding rate will be applicable when a party related to us, jointly or individually, directly or indirectly, is the effective beneficiary of more than 5% of the aggregate amount of payments treated as interest on the MXN notes, as set forth in Mexican Income Tax Law.

Payments of interest we make with respect to the MXN notes to a non-Mexican pension or retirement fund will be generally exempt from Mexican withholding taxes, provided that (1) the fund is the effective beneficiary of such interest income, (2) the fund is duly established pursuant to the laws of its country of origin, (3) the relevant interest income is exempt from taxation in such country, and (4) the fund is duly registered with the SHCP.

We have agreed, subject to specified exceptions and limitations, to pay additional interest to the holders of MXN notes in respect of the Mexican withholding taxes mentioned above. If we pay additional interest in respect of such Mexican withholding taxes, any refunds of such additional interest will be for our account. See “Description of MXN Notes—Payment of Additional Interest.”

Holders or beneficial owners of MXN notes may be requested to provide certain information or documentation necessary to enable us to establish the appropriate Mexican withholding tax rate applicable to such holders or beneficial owners. In the event that the specified information or documentation concerning the holder or beneficial owner, if requested, is not provided on a timely basis, our obligations to pay additional interest may be limited as set forth under “Description of MXN Notes—Payment of Additional Interest.”

Under the Mexican Income Tax Law, payments of principal we make to a foreign holder of MXN notes will not be subject to any Mexican withholding or similar taxes.

Taxation of Disposition of MXN Notes

The application of Mexican tax law provisions to capital gains realized on the disposition of MXN notes by foreign holders is unclear. We expect that no Mexican tax will be imposed on transfers of MXN notes between foreign holders effected outside of Mexico.

Other Mexican Taxes

A foreign holder will not be liable for estate, gift, inheritance or similar taxes with respect to its holdings of MXN notes. There are no Mexican stamp, issue registration or similar taxes payable by a foreign holder with respect to MXN notes.

U.S. Federal Income Tax Considerations

The following is a summary of the principal U.S. federal income tax considerations that may be relevant to a beneficial owner of MXN notes that is a citizen or resident of the United States or a domestic corporation or otherwise subject to U.S. federal income tax on a net income basis in respect of the MXN notes (a “U.S. holder”) and certain U.S. federal income tax considerations that may be relevant to a beneficial owner of MXN notes (other than a partnership or other entity treated as a partnership for U.S. federal income tax purposes) that is not a U.S. holder (a “non-U.S. holder”). It does not purport to be a comprehensive description of all of the tax considerations that may be relevant to a particular investor’s decision to invest in MXN notes.

This summary is based on provisions of the U.S. Internal Revenue Code of 1986, as amended (the “Code”), and regulations, rulings and judicial decisions as of the date hereof. Those authorities may be changed, perhaps retroactively, so as to result in U.S. federal income tax consequences different from those summarized below. In addition, except where noted, this summary deals only with investors that are U.S. holders who acquire the MXN notes in the United States as part of the initial offering of the MXN notes of that series, who will own the MXN notes as capital assets, and whose functional currency is the U.S. dollar. It does not address U.S. federal income tax considerations applicable to investors who may be subject to special tax rules, such as banks, financial institutions, partnerships (or entities treated as a partnership for U.S. federal income tax purposes) or partners therein, tax-exempt entities, insurance companies, traders in securities that elect to use the mark-to-market method of accounting for their securities, persons subject to the alternative minimum tax, dealers in securities or currencies, certain short-term holders of MXN notes, or persons that hedge their exposure in the MXN notes or will hold MXN notes as a position in a “straddle” or conversion transaction or as part of a “synthetic security” or other integrated financial transaction. U.S. holders should be aware that the U.S. federal income tax consequences of holding the MXN notes may be materially different for investors described in the prior sentence. This discussion also does not address all of the tax considerations that may be relevant to particular issuances of MXN notes, such as MXN notes offered at a price less or more than their stated principal amount. For information regarding any such special tax considerations relevant to particular issuances, you should read the applicable prospectus supplement.

Payments of Interest and Additional Interest

Payments of the gross amount of interest and additional interest (as defined in “Description of MXN Notes—Payment of Additional Interest”), *i.e.,* including amounts withheld in respect of Mexican withholding taxes, with respect to an MXN note will be taxable to a U.S. holder as ordinary interest income at the time that such payments are accrued or are received, in accordance with the U.S. holder’s regular method of tax accounting. Thus, cash method U.S. holders will report interest on the MXN note when it is received or unconditionally made available for receipt, and accrual method U.S. holders will report stated interest as it accrues. The amount of interest income realized by a cash method U.S. holder will be the U.S. dollar value of the Mexican peso payment based on the exchange rate in effect on the date of receipt, regardless of whether the payment in fact is converted into U.S. dollars. A cash method U.S. holder will not recognize foreign currency gain or loss with respect to the receipt of such payment, but may have foreign currency gain or loss attributable to the actual disposition of the foreign currency so received. An accrual method U.S. holder will accrue interest income on an MXN note in Mexican pesos and translate the amount accrued into U.S. dollars based on the average exchange rate in effect during the interest accrual period (or portion thereof within the U.S. holder's taxable year), or, at the accrual method U.S. holder's election, at the spot rate of exchange on the last day of the accrual period (or the last day of the taxable year within such accrual period if the accrual period spans more than one taxable year), or at the spot rate of exchange on the date of receipt, if such date is within five business days of the last day of the accrual period. A U.S. holder that makes such an election must apply it consistently to all debt instruments from year to year and cannot change the election without the consent of the U.S. Internal Revenue Service (the "IRS"). An accrual method U.S. holder will recognize foreign currency gain or loss, as the case may be, on the receipt of an interest payment made with respect to an MXN note if the exchange rate in effect on the date the payment is received differs from the rate applicable to a previous accrual of that interest income. This foreign currency gain or loss will be treated as ordinary income or loss, and will not be treated as an adjustment to interest income received on an MXN note. Foreign currency gain or loss recognized by a U.S. holder generally will be U.S. source gain or loss.

The Mexican withholding tax that is imposed on interest will be treated as a foreign income tax eligible, subject to generally applicable limitations and conditions under the Code, for credit against a U.S. holder's federal income tax liability or, at the U.S. holder's election, for deduction in computing the holder's taxable income (provided that the U.S. holder elects to deduct, rather than credit, all foreign income taxes paid or accrued for the relevant taxable year). Interest and additional interest paid on the MXN notes generally will constitute foreign source passive category income.

The calculation and availability of foreign tax credits and, in the case of a U.S. holder that elects to deduct foreign taxes, the availability of deductions, involves the application of complex rules (including, in the case of foreign tax credits, relating to a minimum holding period) that depend on a U.S. holder's particular circumstances. U.S. holders should consult their own tax advisors regarding the availability of foreign tax credits and the treatment of additional interest.

Sale or Other Taxable Disposition of MXN Notes

A U.S. holder generally will recognize gain or loss on the sale or other taxable disposition of the MXN notes in an amount equal to the difference between (i) the amount realized on such sale or other taxable disposition (other than amounts attributable to accrued but unpaid interest, including any additional interest thereon, which will be taxable as ordinary income to the extent not previously included in income) and (ii) the U.S. holder's adjusted tax basis in the MXN notes. A U.S. holder's adjusted tax basis in an MXN note generally will be the U.S. dollar value of the purchase price for that MXN note on the date of purchase. If a U.S. holder receives Mexican pesos in exchange for MXN notes, the amount realized generally will be the U.S. dollar value of the Mexican pesos received, calculated at the exchange rate in effect on the date the MXN notes are sold or otherwise disposed of. If the MXN notes are traded on an established securities market, however, a cash method U.S. holder (and, if it so elects, an accrual method U.S. holder) will determine its adjusted basis in, or amount realized on, an MXN note by translating the amount paid or received at the spot rate of exchange on the settlement date of the purchase or disposition of the MXN note, respectively. Except as described below with respect to foreign currency gain or loss, gain or loss realized by a U.S. holder on such sale or other taxable disposition generally will be capital gain or loss and will be long-term capital gain or loss if, at the time of the disposition, the MXN notes have been held for more than one year. Certain non-corporate U.S. holders (including individuals) may be eligible for preferential rates of taxation in respect of long-term capital gains. The deductibility of capital losses is subject to limitations.

Gain or loss realized by a U.S. holder on the sale or other taxable disposition of an MXN note generally will be treated as foreign currency gain or loss taxable as ordinary income to the extent that the gain or loss is attributable to changes in exchange rates during the period in which the holder held such MXN note. For these purposes, the amount of foreign currency gain or loss recognized will be equal to the difference between (i) the U.S. dollar value of the principal amount of the MXN note determined on the date of the sale or other taxable disposition of the note and (ii) the U.S. dollar value of the principal amount of the MXN note determined on the date the U.S. holder purchased the note. In addition, upon the sale or other taxable disposition of an MXN note, an accrual method U.S. holder may realize foreign currency gain or loss attributable to amounts received in respect of accrued and unpaid interest. The amount of foreign currency gain or loss realized with respect to principal and accrued interest will, however, be limited to the amount of overall gain or loss realized on the sale or other taxable disposition of the note.

Gain or loss (including foreign currency gain or loss) recognized by a U.S. holder on the sale or other taxable disposition of the MXN notes generally will be U.S.-source gain or loss. Consequently, if any such gain would be subject to Mexican income tax, a U.S. holder may not be able to credit the tax against its U.S. federal income tax liability unless such credit can be applied (subject to applicable conditions and limitations) against tax due on other income treated as derived from foreign sources. U.S. holders should consult their own tax advisors as to the foreign tax credit implications of a disposition of the MXN notes.

Non-U.S. Holders

A non-U.S. holder generally will not be subject to U.S. federal income or withholding tax on interest received on the MXN notes or on gain realized on the sale or other taxable disposition of MXN notes unless in the case of gain realized by an individual non-U.S. holder, the non-U.S. holder is present in the United States for 183 days or more in the taxable year of the sale or other taxable disposition and certain other conditions are met.

Information Reporting and Backup Withholding

Payments on the MXN notes, and proceeds of the sale or other disposition of the MXN notes, that are paid within the United States or through certain U.S.-related financial intermediaries to a U.S. holder generally are subject to information reporting and backup withholding unless (i) the U.S. holder is a corporation or other exempt recipient and demonstrates this fact when so required or (ii) in the case of backup withholding, the U.S. holder provides an accurate taxpayer identification number, certifies that it is not subject to backup withholding and otherwise complies with applicable requirements of the backup withholding rules.

Backup withholding is not an additional tax. Any amounts withheld under the backup withholding rules will be allowed as a refund or a credit against the U.S. holder's U.S. federal income tax liability provided the required information is timely furnished to the IRS.

Although non-U.S. holders generally are exempt from information reporting and backup withholding, a non-U.S. holder may, in certain circumstances, be required to comply with certification procedures to prove entitlement to this exemption.

PLAN OF DISTRIBUTION

At the time of offering any MXN notes, we will supplement the following summary of the plan of distribution with a description of the offering, including the particular terms and conditions thereof, set forth in a prospectus supplement.

We may sell MXN notes in any of three ways: (1) through underwriters or dealers; (2) directly to one or a limited number of institutional purchasers; or (3) through agents. We may also concurrently offer MXN notes in Mexico through Mexican underwriters, dealers or agents. Each prospectus supplement with respect to a series of MXN notes will set forth the terms of the offering of such MXN notes, including the name or names of any underwriters or agents, the offering price and the net proceeds to us, any underwriting discounts, commissions or other items constituting underwriters' or agents' compensation, any discount or concessions allowed or reallowed or paid to dealers and any securities exchanges on which such MXN notes may be listed.

If underwriters are used in the sale, the MXN notes will be acquired by the underwriters for their own account and may be resold from time to time in one or more transactions, including negotiated transactions, at a fixed public offering price or at varying prices to be determined at the time of sale. We may offer the MXN notes to the public either through underwriting syndicates of investment banking firms represented by managing underwriters, or directly through one or more such investment banking firms or others, as designated. Unless otherwise set forth in the applicable prospectus supplement, the obligations of the underwriters to purchase the MXN notes will be subject to certain conditions precedent and the underwriters will be obligated to purchase all of the MXN notes offered thereby if any are purchased. Any initial public offering price and any discounts or concessions allowed or reallowed or paid to dealers may be changed from time to time.

We may sell MXN notes either directly to one or more institutional purchasers, or through agents designated by us from time to time. Any agent involved in the offer or sale of the MXN notes will be named, and any commissions payable by us to such agent will be set forth in the applicable prospectus supplement. Unless otherwise indicated in such prospectus supplement, any such agent will be acting on a reasonable best efforts basis for the period of its appointment.

If indicated in the applicable prospectus supplement, we will authorize agents, underwriters or dealers to solicit offers by certain specified institutions to purchase the MXN notes from us at the public offering price set forth in the prospectus supplement plus accrued interest, if any, pursuant to delayed delivery contracts providing for payment and delivery on one or more specified dates in the future. Institutions with which such contracts may be made include commercial and saving banks, insurance companies, pension funds, investment companies, educational and charitable institutions and others, but in all such cases we must approve such institutions. Such contracts will be subject only to those conditions set forth in such prospectus supplement and the prospectus supplement will set forth the commission payable for solicitation of those contracts.

Agents and underwriters may be entitled under agreements entered into with us to indemnification by us against certain civil liabilities, including liabilities under the U.S. Securities Act of 1933, as amended, or to contribution with respect to payments which the agents or underwriters may be required to make in respect thereof.

Agents and underwriters may engage in transactions with us or perform services for us in the ordinary course of business.

In compliance with guidelines of the Financial Industry Regulatory Authority ("FINRA"), the maximum amount of underwriting compensation, including underwriting commissions or discounts, to be received by any FINRA member or independent broker dealer may not exceed 8% of the aggregate amount of the MXN notes offered pursuant to this prospectus; however, it is anticipated that the maximum underwriting compensation to be received in any particular offering of MXN notes will be significantly less than this amount.

EXPERTS

The consolidated financial statements of América Móvil, S.A.B. de C.V. appearing in its annual report on Form 20-F for the year ended December 31, 2011, and the effectiveness of América Móvil, S.A.B. de C.V.'s internal control over financial reporting as of December 31, 2011, have been audited by Mancera, S.C., a member practice of Ernst & Young Global, an independent registered public accounting firm, as set forth in their reports thereon, included therein, and incorporated herein by reference. Such consolidated financial statements are incorporated herein by reference in reliance upon such reports given on the authority of such firm as experts in accounting and auditing.

VALIDITY OF MXN NOTES

Unless otherwise specified in the applicable prospectus supplement, Cleary Gottlieb Steen & Hamilton LLP will provide an opinion regarding the validity of the MXN notes under New York law, and Bufete Robles Miaja, S.C. will provide an opinion regarding the authorization of the MXN notes under Mexican law.

Mr. Rafael Robles Miaja, our Corporate Pro-Secretary and formerly our Corporate Secretary and member of our Board of Directors, is a partner at the firm Bufete Robles Miaja, S.C.

ENFORCEABILITY OF CIVIL LIABILITIES

América Móvil is a corporation organized under the laws of Mexico, with its principal places of business (*domicilio social*) in Mexico City. In addition, most of our directors, officers and controlling persons, as well as certain experts named in this prospectus, reside outside the United States, and all or a substantial portion of their assets and our assets are located outside of the United States. As a result, it may be difficult for investors to effect service of process within the United States upon these persons or to enforce against them, either inside or outside the United States, judgments obtained against these persons in U.S. courts, or to enforce in U.S. courts judgments obtained against these persons in courts in jurisdictions outside the United States, in each case, in any action predicated upon civil liabilities under the U.S. federal securities laws. Based on the opinion of Bufete Robles Miaja, S.C., our Mexican counsel, there is doubt as to the enforceability against these persons in Mexico, whether in original actions or in actions for enforcement of judgments of U.S. courts, of liabilities predicated solely upon the U.S. federal securities laws.

WHERE YOU CAN FIND MORE INFORMATION

This prospectus is part of a registration statement, including exhibits, which we have filed with the SEC on Form F-3 under the Securities Act of 1933, as amended. This prospectus does not contain all of the information set forth in the registration statement. Statements made in this prospectus as to the contents of any contract, agreement or other document are not necessarily complete. We have filed certain of these documents as exhibits to our registration statement and we refer you to those documents. Each statement in this prospectus relating to a document filed as an exhibit is qualified in all respects by the filed exhibit.

We file reports, including annual reports on Form 20-F, and other information with the SEC pursuant to the rules and regulations of the SEC that apply to foreign private issuers. You may read and copy any materials filed with the SEC at its Public Reference Room at 100 F Street, N.E., Washington, D.C. 20549. You may obtain information on the operation of the Public Reference Room by calling the SEC at 1-800-SEC-0330. Any filings we make electronically will be available to the public over the Internet at the SEC's web site at www.sec.gov.

INCORPORATION OF CERTAIN DOCUMENTS BY REFERENCE

The SEC allows us to "incorporate by reference" the information we file with it, which means that we can disclose important information to you by referring you to those documents. The information incorporated by reference is considered to be part of this prospectus, and certain later information that we file with the SEC will automatically update and supersede earlier information filed with the SEC or included in this prospectus or a prospectus supplement. We incorporate by reference the following documents:

- our annual report on Form 20-F for the year ended December 31, 2011, filed with the SEC on April 30, 2012 (SEC File No. 001-16269);
- our report on Form 6-K, filed with the SEC on November 27, 2012 (SEC File No. 001-16269), containing a discussion of our results of operations for the nine months ended September 30, 2012 and 2011 and of our financial condition as of September 30, 2012;
- our report on Form 6-K, filed with the SEC on November 27, 2012 (SEC File No. 001-16269), containing our unaudited interim condensed consolidated financial statements as of September 30, 2012 and for the three and nine months ended September 30, 2012 and 2011;
- any future annual reports on Form 20-F filed with the SEC under the Exchange Act, after the date of this prospectus and prior to the termination of the offering of the MXN notes; and
- any future reports on Form 6-K that we furnish to the SEC after the date of this prospectus and prior to the termination of the offering of MXN notes offered by this prospectus that are identified in such reports as being incorporated by reference in our Registration Statement on Form F-3.

You may request a copy of any and all of the information that has been incorporated by reference in this prospectus and that has not been delivered with this prospectus, at no cost, by writing or telephoning us at Lago Zurich 245, Edificio Telcel, Colonia Granada Ampliación, Delegación Miguel Hidalgo, 11529, México D.F., México, Attention: Investor Relations, telephone (5255) 2581-4449.

ISSUER

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Edificio Telcel,
Colonia Granada Ampliación, Delegación Miguel Hidalgo,
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México

TRUSTEE, REGISTRAR, PRINCIPAL PAYING AGENT, TRANSFER AGENT AND CALCULATION AGENT

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LUXEMBOURG LISTING AGENT, PAYING AGENT AND TRANSFER AGENT

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INDEPENDENT AUDITORS

Mancera, S.C. (A Member Practice of Ernst & Young Global)
Antara Polanco
Av. Ejército Nacional 843-B
Colonia Granada
11520 México, D.F.
México

Joint Book-Running Managers

Deutsche Bank Securities **HSBC** **Morgan Stanley** **BBVA** **Citigroup** **Credit Suisse**

The date of this prospectus supplement is December 14, 2012

Annex A – Audited consolidated financial statements to the fiscal year ended December 31, 2011

INDEX TO THE AUDITED CONSOLIDATED FINANCIAL STATEMENTS

REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

The Board of Directors and Shareholders of
América Móvil, S.A.B. de C.V.

We have audited the accompanying consolidated statements of financial position of América Móvil, S.A.B. de C.V. and subsidiaries as of December 31, 2010 and 2011 and the related consolidated statements of comprehensive income, changes in equity and cash flows for each of the three years in the period ended December 31, 2011. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits in accordance with the standards of the Public Company Accounting Oversight Board (United States of America). Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the consolidated financial position of América Móvil, S.A.B. de C.V. and subsidiaries as of December 31, 2010 and 2011, and the consolidated results of their operations and their cash flows for each of the three years in the period ended December 31, 2011, in conformity with International Financial Reporting Standards, as issued by the International Accounting Standards Board.

We also have audited, in accordance with the standards of the Public Company Accounting Oversight Board (United States of America), América Móvil, S.A.B. de C.V. and subsidiaries' internal control over financial reporting as of December 31, 2011, based on criteria established in Internal Control – Integrated Framework issued by the Committee of Sponsoring Organizations of the Treadway Commission and our report dated April 25, 2012, expressed an unqualified opinion thereon.

Mancera, S.C.
A member practice of
Ernst & Young Global

/s/ Omero Campos Segura

C.P.C. Omero Campos Segura

Mexico City, Mexico
April 25, 2012

AMÉRICA MÓVIL, S.A.B. DE C.V. AND SUBSIDIARIES

Consolidated Statements of Financial Position

(In thousands of Mexican pesos)

	At December 31, 2010	At December 31, 2011	Millions of U.S. dollars 2011
Assets			
Current assets:			
Cash and cash equivalents (Note 4)	Ps. 95,938,465	**Ps. 59,123,996**	**US$ 4,226**
Accounts receivable, net (Note 5)	93,164,187	**124,973,353**	**8,933**
Derivative financial instruments (Note 11)	5,321,321	**7,777,953**	**556**
Related parties (Note 18)	3,571,036	**3,413,899**	**244**
Inventories, net (Note 6)	26,081,530	**34,141,317**	**2,440**
Other current assets, net (Note 7)	9,635,433	**10,846,749**	**775**
Total current assets	233,711,972	**240,277,267**	**17,174**
Non-current assets:			
Property, plant and equipment, net (Note 8)	411,820,387	**466,086,773**	**33,315**
Licenses and rights of use, net (Note 9)	44,520,858	**38,530,899**	**2,754**
Trademarks, net (Note 9)	4,531,877	**3,006,854**	**215**
Goodwill (Note 9)	70,918,967	**73,038,433**	**5,221**
Investment in associated companies (Note 10)	50,539,455	**54,218,023**	**3,875**
Deferred taxes (Note 20)	29,589,842	**33,074,458**	**2,364**
Pension asset (Note 12)	16,290,367	**22,327,733**	**1,596**
Other non-current assets, net (Note 7)	11,591,878	**15,056,421**	**1,076**
Total assets	Ps.873,515,603	**Ps. 945,616,861**	**US$ 67,590**
Liabilities and equity			
Current liabilities:			
Short-term debt and current portion of long-term debt (Note 16)	Ps. 9,039,204	**Ps. 26,643,315**	**US$ 1,904**
Accounts payable and accrued liabilities (Note 13)	145,594,927	**178,740,455**	**12,776**
Taxes payable	22,479,495	**28,622,319**	**2,046**
Derivative financial instruments (Note 11)	453,932	**873,398**	**62**
Related parties (Note 18)	1,911,295	**1,630,265**	**117**
Deferred revenues (Note 15)	25,064,230	**26,248,679**	**1,876**
Total current liabilities	204,543,083	**262,758,431**	**18,781**
Long-term debt (Note 16)	294,060,952	**353,975,487**	**25,301**
Deferred taxes (Note 20)	21,999,235	**16,751,716**	**1,197**
Deferred revenues (Note 15)	3,990,184	**3,175,796**	**227**
Employee benefits (Note 12)	12,884,979	**13,315,736**	**952**
Total liabilities	537,478,433	**649,977,166**	**46,459**
Equity (Note 19):			
Capital stock	96,433,461	**96,419,636**	**6,892**
Retained earnings:			
Prior years	105,009,640	**81,198,952**	**5,804**
Profit for the period	91,123,052	**82,853,529**	**5,922**
Total retained earnings	196,132,692	**164,052,481**	**11,726**
Other comprehensive income items	15,085,830	**25,168,067**	**1,799**
Equity attributable to equity holders of the parent	307,651,983	**285,640,184**	**20,417**
Non-controlling interests	28,385,187	**9,999,511**	**715**
Total equity	336,037,170	**295,639,695**	**21,132**
Total liabilities and equity	Ps.873,515,603	**Ps. 945,616,861**	**US$ 67,590**

The accompanying notes are an integral part of these financial statements.

AMÉRICA MÓVIL, S.A.B. DE C.V. AND SUBSIDIARIES

Consolidated Statements of Comprehensive Income

(In thousands of Mexican pesos, except for earnings per share)

	For the year ended December 31 2009	2010	**2011**	Millions of U.S. dollars, except for earnings per share 2011
Operating revenues:				
Mobile voice services	Ps.250,575,632	Ps.268,030,881	**Ps.281,952,808**	**US$ 20,153**
Fixed voice services	146,975,577	140,178,225	**139,219,344**	**9,951**
Mobile data voice services	55,253,021	76,954,735	**102,190,374**	**7,304**
Fixed data services	60,681,643	66,015,070	**72,007,127**	**5,147**
Paid television	5,958,225	9,484,920	**16,958,846**	**1,212**
Other services	41,810,500	47,191,847	**52,973,005**	**3,786**
	561,254,598	607,855,678	**665,301,504**	**47,553**
Operating costs and expenses:				
Cost of sales and services	232,672,021	253,449,142	**290,902,040**	**20,793**
Commercial, administrative and general expenses	96,466,604	107,406,947	**122,450,633**	**8,752**
Other expenses	3,400,145	3,606,853	**3,176,328**	**227**
Depreciation and amortization (Notes 8 and 9) (includes Ps.55,933,013, Ps.63,749,928 and Ps. 67,797,929 corresponding to the years ended December 31, 2009, 2010 and 2011, respectively, not included in cost of sales and services)	79,904,304	91,071,327	**93,997,035**	**6,718**
	412,443,074	455,534,269	**510,526,036**	**36,490**
Operating income	148,811,524	152,321,409	**154,775,468**	**11,063**
Interest income	3,666,804	4,801,539	**6,853,900**	**490**
Interest expense	(14,595,493)	(17,280,735)	**(20,791,606)**	**(1,486)**
Exchange gain (loss), net	13,419,862	5,581,574	**(22,394,716)**	**(1,600)**
Valuation of derivatives and other financial items, net	(10,061,863)	(11,975,955)	**8,177,785**	**585**
Equity interest in net income of associated companies	1,959,378	1,671,210	**1,923,997**	**138**
Profit before income tax	143,200,212	135,119,042	**128,544,828**	**9,190**
Income tax (Note 20)	36,299,167	36,213,619	**40,420,662**	**2,889**
Net profit for the period	Ps.106,901,045	Ps. 98,905,423	**Ps. 88,124,166**	**US$ 6,301**
Net profit for the period attributable to:				
Equity holders of the parent	Ps. 92,697,553	Ps. 91,123,052	**Ps. 82,853,529**	**US$ 5,922**
Non-controlling interests	14,203,492	7,782,371	**5,270,637**	**379**
	Ps.106,901,045	Ps. 98,905,423	**Ps. 88,124,166**	**US$ 6,301**
Other comprehensive income items:				
Effect of translation of foreign entities	Ps. 33,142,627	Ps. (7,155,708)	**Ps. 10,461,607**	**US$ 748**
Effect of fair value of derivatives, net of deferred taxes	(1,366,643)	(675,686)	**(317,598)**	**(23)**
Total other comprehensive income items for the period	31,775,984	(7,831,394)	**10,144,009**	**725**
Total comprehensive income for the period	Ps.138,677,029	Ps. 91,074,029	**Ps. 98,268,175**	**US$ 7,026**
Comprehensive income for the period attributable to:				
Equity holders of the parent	Ps.115,031,755	Ps. 82,792,909	**Ps. 92,935,766**	**US$ 6,644**
Non-controlling interests	23,645,274	8,281,120	**5,332,409**	**382**
	Ps.138,677,029	Ps. 91,074,029	**Ps. 98,268,175**	**US$ 7,026**
Basic and diluted earnings per share attributable to equity holders of the parent from continuing operations	Ps. 1.19	Ps. 1.15	**Ps. 1.05**	**US$ 0.08**

The accompanying notes are an integral part of these financial statements.

AMÉRICA MÓVIL, S.A.B. DE C.V. AND SUBSIDIARIES

Consolidated Statements of Changes in Equity

For the years ended December 31, 2009, 2010 and 2011

(In thousands of Mexican pesos)

	Capital stock	Legal reserve	Retained earnings	Total Retained earnings	Effect of derivative financial Instruments acquired for hedging purposes	Effect of translation	Total attrib to e hold the
Balance at January 1, 2009	Ps.30,125,141	Ps.358,440	Ps.150,505,445	Ps.150,863,885	Ps.1,077,400		Ps.18
Net profit for the period			92,697,553	92,697,553			9
Effect of fair value of derivatives, net of deferred taxes					(641,878)		
Effect of translation of foreign entities						Ps.22,976,080	2
Comprehensive income for the period			92,697,553	92,697,553	(641,878)	22,976,080	11
Dividends			(25,979,049)	(25,979,049)			(2
Repurchase of shares	(9,592)		(27,244,798)	(27,244,798)		4,371	(2
Other			882,992	882,992			
Acquisition of non-controlling interests			(625,032)	(625,032)			
Excess in purchase price over book value of acquired shares of companies under common control			(262,305)	(262,305)			
Balance at December 31, 2009	Ps.30,115,549	Ps.358,440	Ps.189,974,806	Ps.190,333,246	Ps. 435,522	Ps.22,980,451	Ps.24
Net profit for the period			91,123,052	91,123,052			9
Effect of fair value of derivatives, net of deferred taxes					(401,357)		
Effect of translation of foreign entities						(7,928,786)	(
Comprehensive income for the period			91,123,052	91,123,052	(401,357)	(7,928,786)	8
Dividends			(12,948,813)	(12,948,813)			(1
Repurchase of shares	(4,576)		(17,488,212)	(17,488,212)			(1
Other							
Acquisition of non-controlling interests							
Excess in purchase price over book value of acquired shares of companies under common control	66,322,488		(54,886,581)	(54,886,581)			1
Balance at December 31, 2010	96,433,461	358,440	195,774,252	196,132,692	34,165	15,051,665	30
Net profit for the period			**82,853,529**	**82,853,529**			**8**
Effect of fair value of derivatives, net of deferred taxes					**(276,748)**		
Effect of translation of foreign entities						**10,358,985**	**1**
Comprehensive income for the period			**82,853,529**	**82,853,529**	**(276,748)**	**10,358,985**	**9**
Dividends			**(13,987,602)**	**(13,987,602)**			**(1**
Repurchase of shares	**(13,825)**		**(52,437,966)**	**(52,437,966)**			**(5**
Acquisition of non-controlling interests through public offerings			**(47,693,452)**	**(47,693,452)**			**(4**
Other acquisitions of non-controlling interests			**(814,720)**	**(814,720)**			
Balance at December 31, 2011	**Ps.96,419,636**	**Ps.358,440**	**Ps.163,694,041**	**Ps.164,052,481**	**Ps.(242,583)**	**Ps.25,410,650**	**Ps.28**

The accompanying notes are an integral part of these financial statements.

AMÉRICA MÓVIL, S.A.B. DE C.V. AND SUBSIDIARIES

Consolidated Statements of Cash Flows

(In thousands of Mexican pesos)

	For the year ended December31 2009	2010	**2011**	Millions of U.S. dollars, except for earnings per share **2011**
Operating activities				
Profit before income tax	Ps.143,200,212	Ps.135,119,042	**Ps.128,544,828**	**US$ 9,190**
Items not requiring the use of cash:				
Depreciation	71,950,246	80,294,690	**82,642,200**	**5,907**
Amortization of intangible assets	7,954,058	10,776,637	**11,354,835**	**812**
Equity interest in net income of associated companies	(1,959,378)	(1,671,210)	**(1,923,997)**	**(138)**
(Gain) loss on sale of fixed assets	(403,030)	806,391	**32,463**	**2**
Net period cost of labor obligations	5,763,956	6,160,141	**6,272,520**	**448**
Exchange (gain) loss, net	(4,828,496)	(3,727,490)	**30,971,438**	**2,213**
Interest expense	14,595,493	17,280,735	**20,791,606**	**1,486**
Valuation of derivatives, net	(1,838,672)	1,037,728	**(10,692,199)**	**(764)**
Working capital adjustments:				
Accounts receivable	(7,610,356)	302,354	**(11,287,204)**	**(806)**
Prepaid expenses	1,148,230	(1,239,958)	**(1,307,557)**	**(94)**
Related parties	707,600	(525,056)	**(530,500)**	**(37)**
Inventories	9,926,393	(2,868,024)	**(6,721,377)**	**(480)**
Other assets	(124,899)	(4,408,473)	**(3,064,825)**	**(219)**
Accounts payable and accrued liabilities	9,764,568	10,192,387	**20,966,860**	**1,498**
Employee profit sharing	(1,132,677)	(3,446,374)	**(3,346,952)**	**(239)**
Financial instruments	5,726,316	2,508,129	**6,130,808**	**438**
Deferred revenues	1,344,792	1,373,800	**994,315**	**71**
Labor obligations	(6,509,295)	(1,797,077)	**(13,030,247)**	**(931)**
Income tax paid	(31,203,046)	(45,410,398)	**(63,556,256)**	**(4,542)**
Net cash flow provided by operating activities	216,472,015	200,757,974	**193,240,759**	**13,814**
Purchase of property, plant and equipment	(77,447,018)	(77,866,409)	**(120,193,188)**	**(8,593)**
Acquisition of licenses	(2,384,001)	(4,075,229)	**(993,692)**	**(73)**
Proceeds from sale of fixed assets	556,704	884,241	**38,312**	**3**
Acquisition of equity investments	(339,701)	(31,463,621)	**(2,271,059)**	**(164)**
Net cash flow used in investing activities	(79,614,016)	(112,521,018)	**(123,419,627)**	**(8,827)**
Financing activities				
Loans obtained	79,685,696	180,852,643	**87,230,827**	**6,237**
Repayment of loans	(112,614,308)	(148,899,354)	**(41,222,218)**	**(2,946)**
Interest paid	(15,927,620)	(14,719,299)	**(18,067,293)**	**(1,291)**
Repurchase of shares	(31,482,657)	(18,150,990)	**(53,726,784)**	**(3,840)**
Dividends paid	(33,081,026)	(17,193,902)	**(17,042,980)**	**(1,218)**
Derivative financial instruments		826,850	**3,158,678**	**226**
Acquisition of non-controlling interests	(1,151,853)	(34,667,391)	**(67,464,370)**	**(4,822)**
Net cash flow used in financing activities	(114,571,768)	(51,951,443)	**(107,134,140)**	**(7,657)**
Net increase (decrease) in cash and cash equivalents	22,286,231	36,285,513	(37,313,008)	(2,666)
Adjustment to cash flows due to exchange rate fluctuations	1,194,606	(113,581)	498,539	35
Cash and cash equivalents at beginning of period	36,285,696	59,766,533	95,938,465	6,857
Cash and cash equivalents at end of period	Ps. 59,766,533	Ps. 95,938,465	Ps. 59,123,996	US$ 4,226

Non-cash transactions related to:

	2009	2010	**2011**
Investing activities			
Property, plant and equipment	Ps.39,442,073	**Ps. 7,708,000**	**Ps.36,319,549**
Financing activities			
Capital stock	Ps. —	**Ps.66,322,488**	**Ps. —**

The accompanying notes are an integral part of these financial statements.

AMÉRICA MÓVIL, S.A.B. DE C.V. AND SUBSIDIARIES

Notes to Consolidated Financial Statements

December 31, 2010 and 2011

(In thousands of Mexican pesos and thousands of U.S. dollars, unless otherwise indicated)

1. Description of the business and Relevant Events

América Móvil, S.A.B. de C.V. and subsidiaries (hereinafter, the "Company or "América Móvil") was incorporated under laws of Mexico on September 25, 2000. The Company provides telecommunications services in 18 countries throughout the United States, Latin America and the Caribbean. These telecommunications services include mobile and fixed voice services, mobile and fixed data services, internet access and paid TV, as Well as other related services.

- The voice services provided by the Company, both mobile and fixed, mainly include the following: airtime, local, domestic and international long-distance services, and network interconnection services.
- The data services provided by the Company include the following: value added, corporate networks, data and Internet services.

Paid TV represents basic services, as Well as pay per view and additional programming and advertising services.

- Related services mainly include equipment and computer sales, and revenues from advertising in telephone directories, editing services and call center services.

In order to provide these services, América Móvil has the necessary licenses, permits and concessions (collectively referred to herein as "licenses") to build, install, operate and exploit public and/or private telecommunications networks and provide miscellaneous telecommunications services (mostly mobile and fixed telephony services), as well as to operate frequency bands in the radio-electric spectrum to be able to provide fixed wireless telephony and to operate frequency bands in the radio-electric spectrum for point-to-point and point-to-multipoint microwave links. The Company holds licenses in the 18 countries where it has a presence, and such licenses have different dates of expiration through 2046. In the next two fiscal years there are no contingent liabilities for license expiration and/or termination.

Certain licenses require the payment to the respective governments of a share in sales determined as a percentage of revenues from services under concession. The percentage is set as either a fixed rate or in some cases based on certain size of the infrastructure in operation.

América Móvil is located in Mexico City at Lago Zurich # 245, Colonia Ampliación Granada, Miguel Hidalgo, zip code 11529.

The accompanying financial statements were approved for their issuance by the Board of Directors on April 25, 2012. The financial statements must also be approved by the Company's shareholders, who have the authority to modify the Company's financial statements.

Relevant events

a) Public offerings

i) On January 13, 2010, the Company announced a tender share exchange offer to the shareholders of Carso Global Telecom, S.A.B. de C.V. (hereinafter CGT), which in turn was the holder of 60.7% of the outstanding shares of Telmex Internacional, S.A.B de C.V. (hereinafter Telint), and of 59.4% of the outstanding shares of Telefonos de México, S.A.B de C.V. (hereinafter TMX). América Móvil also announced its intention to make a tender offer for the exchange or purchase of all of the shares of Telint not owned by CGT, which represented 39.3% of the outstanding shares as of the date of the offers.

On June 16, 2010, América Móvil completed the public offer for the acquisition and exchange of shares, resulting in the issuance of 8,438,193,727 Series L shares of América Móvil, which were delivered to the shareholders of CGT (7,088,921,019 shares) and the minority shareholders of Telint (1,349,272,708 shares). The exchange ratio was set at 0.373 shares of América Móvil per share of Telint, and 2.047 shares of América Móvil per share of CGT.

In addition, the Company paid Ps.26,783,689 (US$ 2,120,640 at the exchange rate on the date of the offer) to buy shares from those minority shareholders who did not accept the share exchange. As a result of these tender offers, the Company acquired, directly and indirectly, 92.7% of the outstanding shares of Telint and 59.4% of the outstanding shares of TMX.

From July to December of 2010, the Company increased its direct and indirect holding of the outstanding shares of Telint and TMX to 96.8% and 59.5%, respectively, through additional tender offers.

Before the CGT tender offer, 88.57% of the capital stock of CGT was held by Mr. Carlos Slim and his family (the Slim family) and consequently, that component of the CGT tender offer was accounted for as a transaction between entities under common control with all balances and transactions recognized at historical cost (similar to the pooling-of-interests method) for all the periods presented.

The acquisition of non-controlling interest in the public tender offers was accounted for as an equity transaction calculated at the market value of the offer at the date of acquisition.

ii) In March 2011, the Company launched an additional public offering to acquire up to 571,391,243 outstanding Series A and L shares of Telint, corresponding to 3.18% of the total outstanding shares of Telint that were not previously owned by América Móvil.

The purchase price per share was Ps. 11.66 and the total amount paid as a result of the public offering was Ps. 591,536. Such offering concluded on April 11, 2011.

Tender Offer for Outstanding Shares of Telmex

iii) On October 11, 2011, AMX launched a tender offer (the "TMX Tender Offer") for all of the outstanding shares of all classes of capital stock of TMX that AMX did not indirectly own, which represented approximately 40% of the total equity of TMX. The TMX Tender Offer expired on November 11, 2011 and was settled on November 17, 2011. As a result of the TMX Tender Offer, América Móvil, directly and indirectly, owns 92.99% of the shares representing the capital stock of Telmex. The purchase price was Ps.10.50 per share and Ps.210.00 per ADS, resulting in a total purchase price of approximately Ps. 62.5 billion.

At December 31, 2011, the Company increased its direct and indirect holding of the outstanding shares of Telint and TMX to 97.46% and 93.27%, respectively, through additional tender offers, in the amount of Ps. 810,655 and Ps. 565,291, respectively.

The acquisition of non-controlling interest in the public tender offer was accounted for as an equity transaction calculated at the market value of the offer at the date of acquisition.

As of March 27, 2012, the Company owns directly and indirectly 97.48% and 97.18% of the outstanding shares of Telint and TMX, respectively, through additional tender offers.

iv) The Shareholders have approved to delist Telint and TMX American Depositary Shares ("ADSs") from the New York Stock Exchange ("NYSE") and the NASDAQ Capital Market ("NASDAQ") and its L Shares from the Mercado de Valores Latinoamericanos en Euros in Madrid, Spain ("Latibex") and to terminate its American Depositary Receipt ("ADR") programs.

2. Basis of Preparation of the Consolidated Financial Statements and Summary of Significant Accounting Policies and Practices

a) Basis of preparation

The accompanying financial statements for all the periods presented, have been prepared in conformity with International Financial Reporting Standards (IFRS), as issued by the International Accounting Standards Board (IASB) (hereafter referred to as IFRS), in force at December 31, 2011.

The preparation of these financial statements under IFRS requires the use of critical estimates and assumptions that affect the amounts reported for certain assets and liabilities, as Well as certain income and expenses. It also requires that management exercise judgment in the application of the Company's accounting policies.

The Mexican peso is the currency of presentation of these financial statements.

b) Consolidation and basis of translation of financial statements of foreign subsidiaries

i) Consolidation and equity method

The consolidated financial statements include the accounts of América Móvil, S.A.B. de C.V. and those of the subsidiaries over which the Company exercises control. The financial statements for the subsidiaries were prepared for the same period as the holding company, applying consistent accounting policies. All of the companies operate in the telecommunications field or provide services to companies relating to this activity.

All intercompany balances and transactions have been eliminated in the consolidated financial statements. Non-controlling interests refers to certain subsidiaries in which the Company does not hold 100% of the shares.

The investments in associated companies in which the Company exercises significant influence are accounted for using the equity method, whereby América Móvil recognizes its share in the net profit and equity of the associate.

The results of operations of the subsidiaries and associates Were included in the Company's consolidated financial statements beginning as of the month following their acquisition.

Non-controlling interests represent the portion of profits or losses and net assets not held by the Company. Non-controlling interests are presented separately in the consolidated Statement of Comprehensive Income and in equity in the Consolidated Statement of Financial Position separately from América Móvil's own equity.

Acquisitions of non-controlling interest are recognized as equity transactions (transactions with owners in their capacity as owners). Any difference between the amount by which the non-controlling interests are adjusted and the fair value of the consideration paid are recognized directly in equity and attributed to the owners of the parent.

The equity interest in the principal subsidiaries and associated companies at December 31, 2010 and 2011 is as follows:

Company name	Country	Equity interest at December 31, 2010	2011
Subsidiaries:			
AMX Tenedora, S.A. de C.V.	Mexico	100.0%	**100.0%**
AMOV Canadá, S.A.	Mexico	100.0%	**100.0%**
Compañía Dominicana de Teléfonos, C. por A. (Codetel)	Dominican Republic	100.0%	**100.0%**
Sercotel, S.A. de C.V.	Mexico	100.0%	**100.0%**
Radiomóvil Dipsa, S.A. de C.V. and subsidiaries (Telcel)	Mexico	100.0%	**100.0%**
Telecomunicaciones de Puerto Rico, Inc.	Puerto Rico	100.0%	**100.0%**
Puerto Rico Telephone Company, Inc. (2)	Puerto Rico	100.0%	**100.0%**
PRT Larga Distancia, Inc. (2)	Puerto Rico	100.0%	
Servicios de Comunicaciones de Honduras, S.A. de C.V. (Sercom Honduras)	Honduras	100.0%	**100.0%**
Amov Telecom, S.A. de C.V. (3)	Honduras		**100.0%**
AMX USA Holding, S.A. de C.V.	Mexico	100.0%	**100.0%**
TracFone Wireless, Inc. (TracFone)	United States	98.2%	**98.2%**
AM Telecom Américas, S.A de C.V.	Mexico	100.0%	**100.0%**
Claro Telecom Participacoes, S.A.	Brazil	100.0%	**100.0%**
Americel, S.A.	Brazil	99.4%	**99.4%**
Claro S.A. (antes BCP, S.A.)	Brazil	99.9%	**99.9%**
América Central Tel, S.A. de C.V. (ACT)	Mexico	100.0%	**100.0%**
Telecomunicaciones de Guatemala, S.A. (Telgua)	Guatemala	99.3%	**99.3%**
Empresa Nicaragüense de Telecomunicaciones, S.A. (Enitel)	Nicaragua	99.5%	**99.5%**
Estesa Holding Corp.	Panama	100.0%	**100.0%**
Cablenet, S.A.	Nicaragua	100.0%	**100.0%**
Estaciones Terrenas de Satélite, S.A. (Estesa)	Nicaragua	100.0%	**100.0%**
AMX El Salvador, S.A de C.V.	Mexico	100.0%	**100.0%**
Compañía de Telecomunicaciones de El Salvador, S.A. de C.V. (CTE)	El Salvador	95.8%	**95.8%**
Cablenet, S.A. (Cablenet)	Guatemala	95.8%	**95.8%**
Telecomoda, S.A. de C.V. (Telecomoda)	El Salvador	95.8%	**95.8%**
Telecom Publicar Directorios, S.A. de C.V. (Publicom)	El Salvador	48.9%	**48.9%**
CTE Telecom Personal, S.A. de C.V. (Personal)	El Salvador	95.8%	**95.8%**
Comunicación Celular, S.A. (Comcel)	Colombia	99.4%	**99.4%**
Megacanales, S.A.	Colombia	99.4%	**99.4%**
The Now Operation, S.A.	Colombia	99.4%	**99.4%**
Telmex Colombia, S.A.	Colombia	99.1%	**99.3%**
Consorcio Ecuatoriano de Telecomunicaciones, S.A. (Conecel)	Ecuador	100.0%	**100.0%**
AMX Argentina Holdings, S.A.	Argentina	100.0%	**100.0%**
AMX Argentina, S.A.	Argentina	100.0%	**100.0%**
AMX Wellington Gardens, S.A. de C.V.	Mexico	100.0%	**100.0%**
Widcombe, S.A. de C.V.	Mexico	100.0%	**100.0%**
AMX Paraguay, S.A.	Paraguay	100.0%	**100.0%**
AM Wireless Uruguay, S.A.	Uruguay	100.0%	**100.0%**
Claro Chile, S.A.	Chile	100.0%	**100.0%**
América Móvil Perú, S.A.C	Peru	100.0%	**100.0%**
Telmex Perú, S.A. (3)	Peru	99.6%	**99.6%**
AMX Santa Lucía, Inc.(3)	Santa Lucia	99.6%	
Oceanic Digital Jamaica, Ltd. (3)	Jamaica	99.6%	

Company name	Country	Equity interest at December 31, 2010	2011
Claro Panamá, S.A.	Panama	99.7%	**99.7%**
Carso Global Telecom, S.A.B. de C.V.	Mexico	99.9%	**99.9%**
Empresas y Controles en Comunicaciones, S.A. de C.V.	Mexico	99.9%	**99.9%**
Teléfonos de México, S.A.B. de C.V.[4]	Mexico	59.5%	**93.3%**
Telmex Internacional, S.A.B. de C.V.	Mexico	96.8%	**97.5%**
Controladora de Servicios de Telecomunicaciones, S.A.de C.V.	Mexico	96.8%	**97.5%**
Telmex Argentina, S.A.	Argentina	95.6%	**97.3%**
Ertach, S.A.	Argentina	95.6%	**97.3%**
Telstar, S.A.	Uruguay	95.4%	**97.3%**
Ecuador Telecom, S.A.	Ecuador	96.8%	**97.5%**
Empresa Brasileira de Telecomunicacoes, S.A. – Embratel	Brazil	94.2%	**95.1%**
Páginas Telmex Colombia, S.A.	Colombia	96.8%	**97.5%**
Claro 155, S.A.	Chile	96.8%	**97.5%**
Claro 110, S.A.	Chile	96.8%	**99.9%**
Sección Amarilla USA, LLC.	United States	96.8%	**97.5%**
Publicidad y Contenido Editorial, S.A. de C.V.[3]	Mexico	96.8%	**97.5%**
Editorial Contenido, S.A. de C.V.	Mexico	96.8%	**97.5%**
Plaza VIP COM.S.A.P.I. de C.V.[1]	Mexico		**78.0%**
Grupo Telvista, S.A. de C.V.	Mexico	71.5%	**86.9%**
Associated companies:			
Hildebrando, S.A. de C.V.	Mexico	26.9%	**34.3%**
Net Servicios de Comunicacao, S.A.	Brazil	84.8%	**87.5%**

1. On June 22, 2011, Contenido Cultural y Educativo acquired 51% of the outstanding shares of Plaza VIP COM, S.A.P.I. de C.V., this transaction was through an agreement of the purchase of shares.
2. On August 1, 2011, PRT Larga Distancia, Inc. was merged into Puerto Rico Telephone Company, Inc.
3. In November 2011, Telmex Perú, S.A. sold its 99.6% of the equity in ODJ to Sercom Honduras, which Exchange such equity investment plus cash in order to acquired 100% of the outstanding shares of Digicel de Honduras, S.A. (Digicel), the legal name of Digicel was change to Amov Telecom, S.A. de C.V.; y,
4. As a result of the Tender Public Offering made by the Company in relation with the outstanding shares of Teléfonos de México, S.A.B. de C.V., its equity investment in that subsidiary increased.

ii) Basis of translation of financial statements of foreign subsidiaries and associated companies

The financial statements of foreign subsidiaries and associated companies jointly represent approximately 57%, 59% and 59% of operating revenues of 2009, 2010 and 2011, respectively, and approximately 70% and 76% of total assets at December 31, 2010 and 2011, respectively. The financial information of these entities is either consolidated or recognized using the equity method, as the case may be, after the financial statements have been converted to IFRS in the respective local currency and translated into the reporting currency, in accordance with the following:

The reported financial statements of América Móvil's foreign operations were converted to International Financial Reporting Standards in the local currency and then translated into the reporting currency. Since none of our subsidiaries and associates operate in a hyperinflationary economic environment and the local currency is their functional currency, the translation of their financial statements prepared under IFRS and denominated in their respective local currencies, was translated as follows:

- all monetary assets and liabilities were translated at the prevailing exchange rate at the period closing;
- all non-monetary assets and liabilities at the prevailing exchange rate in effect at the period closing;
- equity accounts are translated at the prevailing exchange rate at the time the capital contributions were made and the profits were generated;
- revenues, costs and expenses are translated at the average exchange rate during the applicable period;
- the difference resulting from the translation process is recognized in equity in the caption "Effect of translation of foreign entities".

- the statements of cash flows were translated using the weighted-average exchange rate for the applicable period, and the resulting difference is shown in the statement of cash flows under the heading “Adjustment to cash flow for exchange rate fluctuations”.

The difference resulting from the translation process is recognized in equity in the caption “Effect of translation of foreign entities. At December 31, 2010 and 2011, the cumulative translation gain was Ps.15,051,665 and Ps.25,410,650, respectively.

c) Revenue recognition

Revenues are recognized at the time the related service is rendered, provided that the revenue may be reliably measured, it is probable that the entity will receive the economic benefits associated with the transaction, the degree of completion of the transaction may be reliably measured and there is high certainty of collectability.

Voice services

- Monthly rent in post-paid plans is billed based on the associated plan and package rates, corresponding to when the services are provided. Revenues billed for services to be rendered are recognized as deferred revenues.
- Revenues from local services are derived from charges for line installations, monthly rent for services and monthly charges for metered services based on the number of minutes. These revenues depend on the number of lines in service, the number of newly installed lines and volume of minutes.
- Revenues for interconnection services, which represent calls from other carriers entering the Company’s mobile and fixed line networks (incoming interconnection services), are recognized at the time the service is provided. Such services are invoiced based on the rates previously agreed with other carriers.
- Long-distance revenues originate from airtime or minutes used in making calls in a region or coverage areas outside of the area where the customer’s service is activated. These revenues are recognized at the time the service is provided.
- Revenues from roaming charges are related to airtime charged to customers for making or receiving calls when visiting a local service area, country or region outside the local service area where the customer’s service is activated. The related revenues are recognized at the time the service is provided based on the rates established and agreed upon by our subsidiaries with other domestic and international mobile carriers.

Data

- Value added services and other services include voice services and data transmission services (such as two-way and written messages, call information, ring tones, emergency services, among others). Revenues from such services are recognized at the time they are provided or when the services are downloaded.
- Internet services and the sale of point-to-point and point-to-multipoint links are recognized on the date of installation, which is similar to the date when the respective traffic begins.
- Revenues from corporate networks are obtained mainly from private lines and from providing virtual private network services. These revenues are recognized at the time the respective traffic begins.

Pay television

Revenues from pay TV include payments for package deals, pay-per-view and advertising, all of which are recognized at the time the services are provided. Revenue is recognized for programming services that include a TV channel package, as well as for pay-per-view.

Other related services

- Advertising revenues earned through the publication of the telephone directory are recognized over the life of the directory.
- Sales of mobile phone equipment and computers, which are mostly made to authorized distributors and the general public, are recognized as revenue at the time the products are delivered and accepted by the customer, the distributors and general public do not have the right to return the products, and the recovery of the amounts is probable.

Commissions paid to distributors

Commissions paid to distributors for post-paid plans, whether for activation, loyalty or volume, are presented as a reduction of revenues.

Loyalty and activation volume commissions are accrued monthly based on statistical information regarding customer retention, sales volume and the number of contracted customers by each distributor. Loyalty commissions are paid to distributors for customers that remain activated for a specified period of time, and sales volume commissions are paid at the time the distributor reaches pre-determined ranges of activated customers.

Points programs

The points programs are recognized as a reduction to revenues, since they effectively represent a decrease in the price of mobile services and equipment.

d) Cost of mobile equipment and computers

The cost of mobile equipment and computers is recognized at the time the related revenue is recognized. The costs relating to the sale of such equipment is recognized as cost of sales.

e) Cost of services

These costs include the cost of call terminations in the networks of other carriers, the costs to link the fixed and mobile networks, payments for long-distance services, rental costs for the use of infrastructure (links, ports and measured service), as well as message exchanges between carriers. Such costs are recognized at the time the service is received by the fixed or mobile carriers. These costs also include last-mile costs and line installation costs, which are also recognized at the time the services are received.

f) Cash and cash equivalents

Cash and cash equivalents consist of bank deposits and highly liquid investments with maturities of less than 90 days. These investments are stated at cost plus accrued interest, which is similar to their market value.

g) Allowance for bad debts

The Company periodically recognizes a provision for doubtful accounts based mainly on its past experience, the aging of its accounts receivable, the delays in resolving its disputes with other carriers, and the market segments of its customers (governments, businesses and mass market).

Collection policies and procedures vary depending on the credit history of the customer, the credit granted, and the age of the unpaid calls in other cases.

The evaluation of collection risk of accounts receivables with related parties is performed annually based on an examination of each related party's financial situation and the markets in which they operate.

h) Inventories

Inventories are initially recognized at historical cost and are valued using the average cost method, without exceeding their net realizable value.

The estimate of the realizable value of inventories on-hand is based on their age and turnover.

i) Business combinations and goodwill

Business combinations are accounted for using the acquisition method. Goodwill represents the difference between the purchase price and the fair value of the net assets acquired at the acquisition date.

Goodwill is reviewed annually to determine its recoverability, or more often if circumstances indicate that the net book value of the goodwill might be not fully recoverable.

The possible loss of value in goodwill is determined by analyzing the recovery value of the cash generating unit (or the group thereof) to which the goodwill is associated at the time it originated. If this recovery value is lower than the net book value, an impairment loss is charged to results of operations.

For the years ended December 31, 2009, 2010 and 2011, no impairment losses were recognized for the goodwill shown in the Company's statement of financial position.

j) Property, plant and equipment

Property, plant and equipment are recorded at acquisition cost, net of accumulated depreciation. Depreciation is computed on the deemed cost of the assets using the straight line method, based on the estimated useful lives of the related assets, beginning the month after they become available for use.

The Company periodically assesses the residual values, useful lives and depreciation methods associated with its property, plant and equipment. If necessary, the effects of any changes in accounting estimates is recognized prospectively, at the closing of each period, in accordance with IAS 8, “Accounting Policies, Changes in Accounting Estimates and Errors”.

Borrowing costs that are incurred for general financing for construction in progress for periods exceeding 6 months are capitalized as part of the cost of the asset.

During 2010 and 2011 the borrowing costs that were capitalized amounted to Ps.2,540,837 and Ps.3,845,609, respectively.

Inventories for the operation of telephone plant are valued using the average cost method, without exceeding their net realizable value.

The valuation of inventories for the operation of the telephone plant considered obsolete, defective or slow-moving, are reduced to their estimated net realizable value. The estimate of the recovery value of inventories is based on their age and turnover.

In addition to the purchase price and costs directly attributable to preparing an asset in terms of its physical location and condition for use as intended by management, the cost also includes the estimated costs for the dismantlement and removal of the asset, and for restoration the site where it is located. For property, plant and equipment made up of several components with different useful lives, the major individual components are depreciated over their individual useful lives. Maintenance costs and repairs are expensed as incurred.

The net book value of property, plant and equipment items is removed from the balance sheet at the time the asset is sold or when no future economic benefits are expected from its use or sale. Any gains or losses on the sale of property, plant and equipment represent the difference between net proceeds of the sale, if any, and the net book value of the item at the time of sale. These gains or losses are recognized as either other operating income or operating expenses upon sale.

Annual depreciation rates are as follows:

Telephone plant	3.3% to 33%
Performance monitoring equipment in the telephone plant	33%
Buildings	3%
Other assets	10% to 33%

The carrying value of property, plant and equipment is reviewed whenever there are indicators of impairment in such assets. Whenever an asset’s recovery value, which is the greater of the asset’s selling price and its value in use (the present value of future cash flows), is less than the asset’s net carrying value, the difference is recognized as an impairment loss.

For the years ended December 31, 2009 2010 and 2011, no impairment losses were recognized.

k) Licenses and trademarks

Licenses are recorded at acquisition cost, net of accumulated amortization.

Licenses to operate wireless telecommunications networks are accounted for at cost or at fair value at acquisition date. Licenses are amortized using the straight-line method over a period ranging from 5 to 40 years, which represents the usage period of the assets.

Trademarks are recorded at their value in use at the valuation date when acquired, as determined by independent appraisers, and are amortized using the straight-line method over a period ranging from 1 to 10 years.

The value of the Company’s intangible assets with defined useful lives is reviewed annually and whenever there are indicators of impairment in the value of such assets. Whenever an asset’s recovery value, which is the greater of the asset’s selling price and its value in use (the present value of future cash flows), is less than the asset’s net carrying amount, the difference is recognized as an impairment loss.

For the years ended December 31, 2009 2010 and 2011, no impairment losses were recognized.

l) Impairment in the value of long-lived assets

The Company has a policy in place for evaluating the existence of indicators of impairment in the carrying value of long-lived fixed assets, including goodwill and intangibles. When there are such indicators, or in the case of assets whose nature requires an annual impairment analysis, the recovery value of the asset is estimated, which is the greater of its fair value, less any disposal costs, and its value in use. Value in use is determined by discounting estimated future cash flows, applying a discount rate before taxes that reflects the time value of money and taking into consideration the specific risks associated with the asset. When the recovery value of an asset is below its net book value, impairment is considered to exist. In this case, the book value of the asset is reduced to the asset's recovery value, recognizing the loss in results of operations for the respective period. Depreciation and/or amortization expense of future periods is adjusted based on the new book value determined for the asset over the asset's remaining useful life. Impairment is computed individually for each asset. Recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or group of assets.

In the estimation of impairments, the Company uses the strategic plans established for the separate cash generating units to which the assets are assigned. Such strategic plans generally cover a period from three to five years. For longer periods, beginning in the fifth year, projections are used that are based on such strategic plans while applying a constant or decreasing expected growth rate.

Key assumptions used in value in use calculations

The premises utilized in the projections were applied in accordance with IAS 36 for each of the Company's subsidiaries, considering each operating subsidiary as a cash generating unit (CGU).

The subsidiaries being analyzed for impairment are cash generating units that through December 31, 2011 were under the Company's operation.

The forecasts were performed by the Company's management in real terms (without inflation) and in pesos with acquisition value as of December 31, 2011. The forecasts were made according to the 2011 budget which was approved by the Company's Chief Executive Officer (CEO) and are the same presented to the Board of Directors.

In the procedure of elaborating the information regarding the financial forecast, premises and assumptions have been included that any other market participant in similar conditions would consider.

Local synergies have not been taken into consideration that any other market participant would not have taken to prepare similar forecasted financial information.

The premises used to make the financial forecasts were validated by the Company's CEO and the Chief Financial Officer for each of the cash generating units, taking into consideration the following:

- Current subscribers and expected growth.
- Type of subscribers (prepaid, postpaid and fixed line)
- Market situation and penetration expectations
- New products and services
- Economic situation of each country
- Investments in maintenance of the current assets
- Investments in technology for expanding the current assets
- Market consolidation and synergies

The foregoing forecasts could differ from the results obtained through time; however, AMX has prepared its estimates based on to the current situation of each of the cash generating units.

To determine the discount rate, AMX uses the weighted-average cost of capital (WACC) which was determined for each of the cash generating units in real terms and is described in following paragraphs.

The estimated discounted rates to perform the IAS 36 impairment test for each CGU consider market participants assumptions. Market participants were selected taking into consideration the size, operations and characteristics of the business that were similar to those in AMX.

Discount rate and market participants

The discount rates represents the current market assessment of the risks specific to each Cash Generating Unit (CGU), taking into consideration the time value of money and individual risks of the underlying assets that have not been incorporated in the cash flow estimates. The discount rate calculation is based on the specific circumstances of the Company and its operating segments and is derived from its WACC. The WACC takes into account both debt and equity. The cost of equity is derived from the expected return on investment by AMX's investors. The cost of debt is based on the interest bearing borrowings AMX is obliged to service. Segment-specific risk is incorporated by applying individual beta factors.

The beta factors are evaluated annually based on publicly available market data.

Market participant assumptions are important because, not only do they include industry data for growth rates, management also assesses how the CGU's position, relative to its competitors, might change over the budgeted period.

m) Leases

The determination of whether an agreement is, or contains, a lease is based on the substance of the agreement and requires an evaluation of whether performance of the agreement is dependent on the use of a specific asset and whether the agreement transfers the right of use of the asset to the Company.

- **Operating leases**

Leases under which the lessor retains a significant portion of the risks and benefits inherent to the ownership of the leased asset are considered operating leases. Payments made under operating lease agreements are charged to results of operations on a straight-line basis over the rental period.

- **Finance leases**

Lease agreements that transfer substantially all the risks and benefits of ownership of the leased assets to the Company are accounted for as finance leases. Accordingly, upon commencement of the lease, the asset, which is classified based on its nature, and associated debt are recorded at the lower of the fair value of the leased asset or the present value of the lease payments. Finance lease payments are apportioned between the reduction of lease liability and the finance cost so that a constant interest rate is determined on the outstanding liability balance. Finance costs are charged to results of operations over the life of the agreement.

n) Financial assets and liabilities

Financial assets and liabilities within the scope of IAS 39 generally include investments in financial instruments, debt and equity instruments, accounts receivable and other accounts receivable, loans and financing, accounts payable and accrued liabilities and derivative financial instruments.

Financial assets and liabilities are initially recognized at fair value, plus directly attributable transactions costs, except for those designated upon initial recognition at fair value through profit or loss.

The subsequent measurement of financial assets and liabilities depends on how they are classified as either financial assets and liabilities measured at fair value, financial assets and liabilities held to maturity and available for sale, loans and accounts receivable.

Impairment of financial assets

The Company assesses, at each reporting date, whether there is any objective evidence that a financial asset or a group of financial assets is impaired. A financial asset or a group of financial assets is deemed to be impaired if, and only if, there is objective evidence of impairment as a result of one or more events that has occurred after the initial recognition of the asset (an incurred .loss event.) and that loss event has an impact on the estimated future cash flows of the financial asset or the group of financial assets that can be reliably estimated. Evidence of impairment may include indications that the debtors or a group of debtors is experiencing significant financial difficulty, default or delinquency in interest or principal payments, the probability that they will enter bankruptcy or other financial reorganization and when observable data indicate that there is a measurable decrease in the estimated future cash flows, such as changes in arrears or economic conditions that correlate with defaults.

Financial assets carried at amortized cost

For financial assets carried at amortized cost, the Company first assesses whether objective evidence of impairment exists individually for financial assets that are individually significant, or collectively for financial assets that are not individually significant. If the Company determines that no objective evidence of impairment exists for an individually assessed financial asset, whether significant or not, it includes the asset in a group of financial assets with similar credit risk characteristics and collectively assesses them for impairment. Assets that are individually assessed for impairment and for which an impairment loss is, or continues to be, recognized are not included in a collective assessment of impairment. If there is objective evidence that an impairment loss has been incurred, the amount of the loss is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows (excluding future expected credit losses that have not yet been incurred). The present value of the estimated future cash flows is discounted at the financial asset's original effective interest rate.

The financial assets of América Móvil include cash and cash equivalents, trade accounts receivable and other accounts receivable, listed and unlisted financial instruments and derivative financial instruments.

Financial liabilities are classified into the following categories based on the nature of the financial instruments contracted or issued: financial liabilities measured at fair value and financial liabilities measured at their amortized cost.

The Company's financial liabilities include accounts payable to suppliers, deferred revenues, other accounts payable, loans and derivative financial instruments. Derivative financial instruments are measured at fair value and short- and long-term debt, as well as accounts payable, are accounted for as financial liabilities measured at their amortized cost.

Financial liabilities at fair value through profit or loss

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition at fair value through profit or loss.

Financial liabilities are classified as held for trading if they are acquired for the purpose of selling in the near term. This category includes derivative financial instruments entered into by the Company that are not designated as hedging instruments in hedge relationships as defined by IAS 39. Separated embedded derivatives are also classified as held for trading unless they are designated as effective hedging instruments.

Gains or losses on liabilities held for trading are recognized in the income statement.

At initial recognition AMX did not designate financial liabilities as fair value liabilities with changes in the income statement.

Loans and borrowings

After initial recognition, interest bearing loans and borrowings are subsequently measured at amortized cost using the effective interest rate method. Gains and losses are recognized in the income statement when the liabilities are derecognized as well as through the effective interest rate amortization process.

Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortization is included in finance costs in the income statement.

Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is presented in the consolidated statement of financial position if, and only if (i) there is currently a legally enforceable right to offset the recognized amounts, and (ii) there is the intention to either settle them on a net basis, or to realize the assets and settle the liabilities simultaneously.

Fair value of financial instruments

At each financial statement reporting date, the fair value of financial instruments traded in active markets is determined based on market prices, or prices quoted by brokers (purchase price for asset positions and sales price for liability positions), without any deduction for transaction costs.

For financial instruments that are not traded in an active market, the fair value is determined using appropriate valuation techniques. Such techniques may include using recent arm's length market transactions, references to the current fair value of another financial instrument that is substantially similar, a discounted cash flow analysis or other valuation models.

Note 14 provides an analysis of the fair values of the Company's financial instruments.

o) Transactions in foreign currency

Transactions in foreign currency are recorded at the prevailing exchange rate at the time of the related transactions. Foreign currency denominated assets and liabilities are translated at the prevailing exchange rate at the financial statement reporting date. Exchange differences determined from the transaction date to the time foreign currency denominated assets and liabilities are settled or translated at the financial statement reporting date are charged or credited to the results of operations.

p) Accounts payable, accrued liabilities and provisions

Liabilities are recognized whenever (i) the Company has current obligations (legal or assumed) resulting from a past event, (ii) when it is probable the obligation will give rise to a future cash disbursement for its settlement and (iii) the amount of the obligation can be reasonably estimated.

When the effect of the time value of money is significant, the amount of the liability is determined as the present value of the expected disbursements to settle the obligation. The discount rate is determined on a pre-tax basis and reflects current market conditions at the financial statement reporting date and, where appropriate, the risks specific to the liability. Where discounting is used, an increase in the liability is recognized as finance expense.

Contingent liabilities are recognized only when it is probable they will give rise to a future cash disbursement for their settlement. Also, contingencies are only recognized when they will generate a loss.

q) Employee benefits

There are defined benefit pension plans in place in the subsidiaries Radiomóvil Dipsa, S.A. de C.V., Telecomunicaciones de Puerto Rico, S.A., Teléfonos de México and Embratel. Embratel, also has medical plans and defined contribution plans. These plans require the valuation and recognition of the accumulated effects of retirement and post-retirement labor obligations through actuarial computations using the projected unit credit method.

The subsidiary Consorcio Ecuatoriano de Telecomunicaciones, S.A. has a pension plan based on individual capitalization under which the Company purchases a deferred annuity from an insurance company for which the Company pays only an annual premium. Under IFRS, this plan is classified as a defined benefit plan, therefore, only the net cost of the plan for the period must be disclosed.

The Mexican subsidiaries have the obligation to pay seniority premiums to personnel based on Federal labor law, which also establishes the obligation to make certain payments to personnel who cease to provide services under certain circumstances.

The Company recognizes the cost for pension benefits, seniority premiums and termination benefits on an annual basis based on independent actuarial computations applying the projected unit-credit method, using financial assumptions net of inflation. The latest actuarial computation was prepared as of December 31, 2011.

For the rest of the Company’s subsidiaries, there are no defined benefit plans or compulsory defined contribution structures. However, the foreign subsidiaries make contributions to national pension, social security and severance plans in accordance with the percentages and rates established by the applicable payroll and labor laws of each country.

Such contributions are made to the entities designated by the state and are recorded as direct labor benefits in the results of operations as they are incurred.

For the actuarial losses or gains the Company uses the corridor approach. This approach consists of deferring the recognition of the actuarial losses or gains and amortizing them over the estimated average remaining working lifetime of employees of the respective subsidiary, which range between 11 and 20 years.

The Company recognizes a provision for the costs of paid absences, such as vacation time, based on the accrual method.

r) Employee profit sharing

Current year employee profit sharing is presented as an operating expense in the statement of income.

s) Income taxes

Current income tax is presented as a short-term liability, net of prepayments made during the year.

Deferred income tax is determined using the liability method based on the temporary differences between the tax values of the assets and liabilities and their book values at the financial statement reporting date.

Deferred tax assets and liabilities are measured using the tax rates that are expected to be in effect in the period when the asset will materialize or the liability will be settled, based on the enacted tax rates (and tax legislation) that have been enacted or substantially enacted at the financial statement reporting date. The value of deferred tax assets is reviewed by the Company at each financial statement reporting date and is reduced to the extent that it is more likely than not that the Company will not have sufficient future tax profits to allow for the realization of all or a part of its deferred tax assets. Unrecognized deferred tax assets are revalued at each financial statement reporting date and are recognized when it is more likely than not that there will be sufficient future tax profits to allow for the realization of these assets.

Deferred taxes relating to items recognized outside profit or loss are also recognized outside of profit and loss. These deferred taxes are recognized together with the underlying transaction, either in other comprehensive income or directly in equity.

Deferred tax consequences on unremitted foreign earnings are accounted for as temporary differences, except to the extent that the Company is able to control the timing of the reversal of the temporary difference; and it is probable that the temporary difference will not reverse in the foreseeable future. Taxes paid on remitted foreign earnings are able to be offset against Mexican taxes, thus to the extent that a remittance is to be made, the deferred tax would be limited to the incremental difference between the Mexican tax rate and the rate of the remitting country. As of December 31, 2011 and 2010, the Company has not provided any deferred taxes related to unremitted foreign earnings.

t) Sales tax

Revenues, expenses and assets are recognized net of the amount of sales tax, except:

When the sales tax incurred on a purchase of assets or services is not recoverable from the taxation authority, in which case, the sales tax is recognized as part of the cost of acquisition of the asset or as part of the expense item, as applicable.

Receivables and payables that are stated with the amount of sales tax included

The net amount of sales tax recoverable from, or payable to, the taxation authority is included as part of receivables or payables in the statement of financial position.

u) Advertising

Advertising expenses are expensed as incurred. For the years ended December 31, 2009, 2010 and 2011, advertising expenses were Ps. 12,311,499, Ps. 14,619,745 and Ps. 17,867,455, respectively.

v) Earnings per share

Basic and diluted earnings per share is determined by dividing net income of the year by the weighted-average number of shares outstanding during the year (common control component of the shares are reflected for all periods presented). In determining the weighted average number of shares issued and outstanding, shares repurchased by the Company have been excluded.

w) Concentration of risk

The main financial instruments used by the Company for financing purposes are bank loans, domestic senior notes, lines of credit, fixed and floating-rate notes, loan facilities, bonds, derivative financial instruments, leases and accounts payable. The Company holds several financial assets, such as cash and cash equivalents, accounts receivable, prepaid expenses and short-term deposits that come directly from its operations.

The main risks associated with the Company's financial instruments are cash flow risk, liquidity risk, market risk and credit risk. The Company uses sensitivity analyses to measure the potential losses based on a theoretical increase of 100 basis points in interest rates and a 10% fluctuation in exchange rates. The Board of Directors approves the policies submitted by management to mitigate these risks.

Credit risk represents the loss that could be recognized in case the counterparties fail to fully comply with the contractual obligations. The Company is also exposed to market risks related to changes in interest rates and fluctuations in exchange rates. To reduce the risks related to changes in interest rates and fluctuations in exchange rates, the Company uses derivative financial instruments.

The financial instruments that potentially represent concentrations of credit risk are cash and short-term deposits, trade accounts receivable and financial instruments related to debt and derivatives. The Company's policy is designed in order to not limit its exposure to any one financial institution; therefore, the Company's financial instruments are contracted with several different financial institutions located in different geographic regions.

The credit risk in accounts receivable is diversified because the Company has a broad customer base that is geographically dispersed. The Company continuously evaluates the credit conditions of its customers and does not require collateral to guarantee collection of its accounts receivable. In the event that the Company's collection cycle deteriorates significantly, its results of operations could be adversely affected.

A portion of the Company's cash surplus is invested in term deposits with financial institutions with high credit scores.

Sensitivity analysis

a) Exchange rate fluctuations

Should the Company's debt at December 31, 2011 of Ps. 321,494,806 suffer a 10% increase in exchange rates, the debt would increase by Ps. 28,653,000 (resulting in total debt of Ps. 350,147,806), while the Company's net interest expense would increase by Ps. 1,547,000 as a consequence of the base for interest being higher in Mexican pesos.

b) Interest rates

In the event that the Company's agreed-upon interest rates at December 31, 2011 increased by 100 basis points, the increase in net interest expense would be Ps.3,979,860.

The Company depends on several key suppliers and sellers. During the fiscal periods 2009, 2010 and 2011, approximately 66%, 67% and 58%, respectively, of the total cost of the cellular equipment of América Móvil represent purchases made from three suppliers, and approximately 39%, 45% and 29%, respectively, of the telephony plant equipment was purchased from two suppliers. If any of these suppliers were to cease to provide equipment and services to the Company, or to provide them in a timely manner and at a reasonable cost, the Company's business and results of operations might be adversely affected.

x) Derivative financial instruments

The Company is exposed to interest rate and foreign currency risks, which it tries to mitigate through a controlled risk management program that includes the use of derivative financial instruments. The Company principally uses cross-currency swaps and, if necessary, foreign currency forwards to offset the short-term risk of exchange rate fluctuations. For purposes of reducing the risks from changes in interest rates, the Company utilizes interest rate swaps through which it pays or receives the net amount resulting from paying or receiving a fixed rate, and from receiving or paying cash based on a variable rate, on notional amounts denominated mainly in Mexican pesos, U.S. dollars, Japanese yen, Swiss francs and Euros. At December 31, 2010 and 2011, some of the Company's derivative financial instruments have been designated, and have qualified, as cash flow hedges.

The policy of the Company in this regard comprises: (i) the formal documentation of all transactions between the hedging instruments and hedged positions, (ii) risk management objectives, and (iii) the strategy for executing hedging transactions. This documentation also includes the relationship between the cash flows of the derivatives with those of the Company's assets and liabilities recognized in the statement of financial position.

The effectiveness of the Company's derivatives is evaluated prior to their designation as hedges, as well as during the hedging period, which is performed at least quarterly based on recognized statistical techniques. Whenever it is determined that a derivative is not highly effective as a hedge or that the derivative ceases to be a highly effective hedge, the Company ceases to apply hedge accounting for the derivative on a prospective basis. For the years ended December 31, 2009, 2010 and 2011, there were no gains or losses due to changes in the accounting treatment of hedges.

Derivative financial instruments are recognized in the statement of financial position at fair value, which is obtained from the financial institutions with which the agreements are entered into, and it is the Company's policy to compare such fair value to the valuation provided by an independent pricing provider retained by the Company. The effective portion of gains or losses on these derivatives is recognized in equity under the heading "Effect for fair value of derivatives", and the ineffective portion is charged to results of operations of the period. Changes in the fair value of derivatives that do not qualify as hedging instruments are recognized immediately in results of operations.

The change in fair value recognized in results of operations corresponding to derivatives that qualify as hedges is presented in the same caption of the statement of income as the gain or loss of the hedged item.

y) Presentation of statement of income

The costs and expenses shown in América Móvil's statement of income are presented in combined manner (based on both their function and nature), which allows a better understanding of the components of the Company's operating income. This classification allows for a comparison to the telecommunications industry.

The Company's presents operating income in its statement of income, since it is a key indicator of the Company's performance. Operating income includes operating revenues, operating costs and expenses.

z) Operating segments

Segment information is presented based on information used by management in its decision-making processes. Segment information is presented based on the geographic areas in which the Company operates.

The management of América Móvil is responsible for making decisions regarding the resources to be allocated to the Company's different segments, as well as evaluate the performance of each segment.

z.1) Convenience translation

At December 31, 2011, amounts in U.S. dollars have been included in the financial statements solely for the convenience of the reader and have been translated to Mexican pesos at December 31, 2011 at an exchange rate of Ps.13.99 pesos per U.S. dollar, which was the exchange rate at that date. Such translation should not be construed as a representation that the Mexican peso can be converted to U.S. dollars at the exchange rate in effect on December 31, 2011 or any other exchange rate.

z.2) Changes in accounting policies and disclosures

New and amended standards and interpretations

The accounting policies adopted are consistent with those of the previous financial year, except for the following new and amended IFRS and IFRIC interpretations effective as of January 1, 2011:

IAS 24, Related Party Disclosures (Revised)

Effective January 1, 2011, AMX adopted IAS 24, *Related Party Disclosures (Revised)*, under which the definition of a related party has been clarified to simplify the identification of related party relationships, particularly in relation to significant influence and joint control.

This amendment was applied retrospectively, in accordance with IAS 8 *Accounting Policies, Changes in Accounting Estimates and Errors*.

The adoption of the amendment did not have any impact on the financial position or performance of the Company.

IAS 32, Financial Instruments: Presentation — Classification of Rights Issues (Amendment)

IAS 32 was effective for annual periods beginning on or after February 1, 2010. The definition of financial liability has been amended to classify rights issues (and certain options or warrants) as equity instruments if:

a) The rights are given pro rata to all of the existing owners of the same class of an entity's non-derivative equity instruments

b) The rights are to acquire a fixed number of the entity's own equity instruments for fixed amount in any currency.

This amendment is applied retrospectively, in accordance with requirements of IAS 8, *Accounting Policies, Changes in Accounting Estimates and Errors*, for changes in accounting policy. Earlier application is permitted and must be disclosed.

The amendment has had no effect on the financial position or performance of the Company because the Company does not have these types of instruments.

IFRIC 14, Prepayments of a Minimum Funding Requirement (Amendment)

Effective for annual periods beginning on or after January 1, 2011. The amendment to IFRIC 14 provides further guidance on assessing the recoverable amount of a net pension asset. The amendment permits an entity to treat the prepayment of a minimum funding requirement as an asset.

This amendment is applied retrospectively to the beginning of the earliest period presented in the first financial statements in which the entity originally applied IFRIC 14.

Entities will need to determine whether prepayments made will need to be re-assessed for their impact on the recoverability of pension assets. Entities applying the corridor approach to recognize actuarial gains and losses will also need to take account of the interaction between the corridor and the recoverability of the plan assets.

The Company is not subject to minimum funding requirements in any of its subsidiaries, therefore the amendment of the interpretation has no effect on the financial position or performance of the Company.

3. Standards issued but not yet effective

New standards issued but not yet effective up to the date of issuance of the Company's financial statements are listed below. This listing is of standards and interpretations issued, which the Company reasonably expects to be applicable at a future date. The Company intends to adopt those standards when they become effective.

IAS 1, Financial Statement Presentation. Presentation of Items of Other Comprehensive Income

The amendments to IAS 1 change the grouping of items presented in OCI. Items that could be reclassified (or recycled) to profit or loss at a future point in time (for example, upon derecognition or settlement) would be presented separately from items that will never be reclassified. The amendment affects presentation only and has no impact on the Company´s financial position or performance. The amendment becomes effective for annual periods beginning on or after July 1, 2012.

The Company is currently evaluating the impact of the adoption of this new standard.

IAS 12, Income Taxes Recovery of Underlying Assets

The amendment clarified the determination of deferred tax on investment property measured at fair value. The amendment introduces a rebuttable presumption that deferred tax on investment property measured using the fair value model in IAS 40 should be determined on the basis that its carrying amount will be recovered through sale. Furthermore, it introduces the requirement that deferred tax on non-depreciable assets that are measured using the revaluation model in IAS 16, *Property, Plant and Equipment*, always be measured on a sale basis of the asset. The amendment becomes effective for annual periods beginning on or after January 1, 2012.

The Company is currently evaluating the impact of the adoption of this new standard.

IAS 19, Employee Benefits (Amendment)

On June 16, 2011, the IASB published modifications to IAS 19, *Employee Benefits*, which changes the accounting for defined benefit plans and termination benefits. The modifications require the recognition of the changes in the defined benefit obligation and plan assets when they occur, eliminating the corridor approach and accelerating the recognition or past service costs. The changes also eliminate the deferral of actuarial gains/losses, and require that they be recorded directly within other comprehensive income in each reporting period. Changes in the defined benefit obligation and plan assets are divided in three components: service cost, net interest of net (assets) liabilities of defined benefits and remeasurement of the net (assets) liabilities for defined benefits. The net interest is calculated using a rate of return for high quality corporate bonds, which may be less than the current rate used to calculate the expected return on the plan assets, resulting in a decrease to the profit for the current period.

The modifications are effective beginning January 1, 2013, with early adoption allowed. Also retrospective application is required with certain exceptions.

As disclosed in Note 12, the Company has defined benefit pension plans for its operations in Puerto Rico, Embratel (Brazil) and Telmex (Mexico), all of which have unrecognized actuarial losses. The Company is still evaluating the impact that the revisions to IAS 19 may have on the consolidated financial statements. However, due to the elimination of the corridor approach, the Company's unamortized actuarial losses, as described in
Note 12, will be charged to "Accumulated other comprehensive income items" in equity upon adoption.

IFRS 7, Financial Instruments: Disclosures. Enhanced Derecognition Disclosure Requirements

The amendment requires additional disclosure about financial assets that have been transferred but not derecognized to enable the user of the Company´s financial statements to understand the relationship with those assets that have not been derecognized and their associated liabilities. In addition, the amendment requires disclosures about continuing involvement in derecognized assets to enable the user to evaluate the nature of, and risks associated with, the entity's continuing involvement in those derecognized assets. The amendment becomes effective for annual periods beginning on or after July 1, 2011. The amendment affects disclosure only and has no impact on AMXs financial position or performance.

The Company is currently evaluating the impact of the adoption of this new standard.

IFRS 9, Financial Instruments: Classification and Measurement

IFRS 9 as issued reflects the first phase of the IASBs work on the replacement of IAS 39 and applies to classification and measurement of financial assets and financial liabilities as defined in IAS 39. The standard is effective for annual periods beginning on or after January 1, 2013. In subsequent phases, the IASB will address hedge accounting and impairment of financial assets. The completion of this project is expected over the course of 2011 or the first half of 2012. The adoption of the first phase of IFRS 9 will have an effect on the classification and measurement of the Company´s financial assets, but will potentially have no impact on classification and measurements of financial liabilities. The Company will quantify the effect in conjunction with the other phases, when issued, to present a comprehensive picture.

The Company is currently evaluating the impact of the adoption of this new standard.

IFRS 10, Consolidated Financial Statements

IFRS 10 replaces the portion of IAS 27, *Consolidated and Separate Financial Statements*, that addresses the accounting for consolidated financial statements. It also includes the issues raised in SIC-12, *Consolidation—Special Purpose Entities.*

IFRS 10 establishes a single control model that applies to all entities including special purpose entities. The changes introduced by IFRS 10 will require management to exercise significant judgment to determine which entities are controlled, and therefore, are required to be consolidated by a parent, compared with the requirements that were in IAS 27. This standard becomes effective for annual periods beginning on or after January 1, 2013.

The Company is currently evaluating the impact of the adoption of this new standard.

IFRS 12, Disclosure of Involvement with Other Entities

IFRS 12 includes all of the disclosures that were previously in IAS 27 related to consolidated financial statements, as well as all of the disclosures that were previously included in IAS 31 and IAS 28. These disclosures relate to an entity's interests in subsidiaries, joint arrangements, associates and structured entities.

A number of new disclosures are also required. This standard becomes effective for annual periods beginning on or after January 1, 2013.

The Company is currently evaluating the impact of the adoption of this new standard.

4. Cash and Cash Equivalents

	At December 31,	
	2010	**2011**
Cash in banks	Ps. 17,765,427	**Ps. 26,025,040**
Short-term deposits	78,173,038	**33,098,956**
	Ps. 95,938,465	**Ps. 59,123,996**

5. Accounts Receivable, net

a) An analysis of accounts receivable at December 31, 2010 and 2011 is as follows:

	At December 31,	
	2010	**2011**
Subscribers and distributors	Ps. 80,131,506	**Ps. 92,744,737**
Mobile phone carriers for network interconnection and other services including "*el que llama paga*" (calling party pays)	11,920,896	**12,513,251**
Recoverable taxes	12,291,883	**33,305,174**
Sundry debtors	7,822,509	**9,769,013**
	112,166,794	**148,332,175**
Less: Allowance for bad debts due from customers, distributors and mobile phone carriers	(19,002,607)	**(23,358,822)**
Net	Ps. 93,164,187	**Ps. 124,973,353**

b) Changes in the allowance for doubtful accounts during the years ended December 31, 2009, 2010 and 2011 were as follows:

	2009	At December 31, 2010	2011
Balance at beginning of period	Ps.(12,513,427)	Ps.(16,516,604)	**Ps.(19,002,607)**
Increases recorded in expenses	(11,813,733)	(8,777,914)	**(12,111,915)**
Charges against the allowance provision	9,609,485	5,903,396	**8,252,701**
Translation effect	(1,798,929)	388,515	**(497,001)**
Balance at end of period	Ps.(16,516,604)	Ps.(19,002,607)	**Ps.(23,358,822)**

c) The following table shows a breakdown of accounts receivable based on their age at December 31, 2010 and 2011, for subscribers and distributors:

	Total	Unbilled services provided about to come due	1-30 days	30-60 days	61-90 days	Greater than 90 days
December 31, 2010	Ps.80,131,506	Ps.41,798,709	Ps.14,975,196	Ps.3,388,262	Ps.2,289,979	Ps.17,679,360
December 31, 2011	Ps.92,744,737	Ps.50,330,552	Ps.16,468,777	Ps.3,655,367	Ps.2,011,698	Ps.20,278,343

6. Inventories, net

An analysis of inventories at December 31, 2010 and 2011 is as follows:

	2010	2011
Mobile phones, accessories, cards and other materials	Ps.27,785,743	**Ps.36,479,153**
Less: Reserve for obsolete and slow-moving inventories	(1,704,213)	**(2,337,836)**
Total	Ps.26,081,530	**Ps.34,141,317**

7. Other assets, net

a) An analysis of other assets at December 31, 2010 and 2011 is as follows:

	2010	2011
Current portion:		
Advances to suppliers (including advertising, insurance and maintenance)	Ps. 9,047,540	**Ps. 10,515,154**
Other	587,893	**331,595**
	Ps. 9,635,433	**Ps. 10,846,749**
Non-current portion:		
Recoverable taxes	Ps. 3,773,686	**Ps. 4,755,091**
Advance payments for the use of fiber optics	1,247,565	**1,472,364**
Prepaid expenses	6,570,627	**8,828,966**
Total	Ps.11,591,878	**Ps. 15,056,421**

For the years ended December 31, 2009, 2010 and 2011, the amortization expense for other assets was Ps.200,570, Ps.314,652 and Ps. 398,383, respectively.

8. Property, Plant and Equipment, net

An analysis of property, plant and equipment at December 31, 2010 and 2011 is as follows:

	2010	**2011**
Telephone plant and equipment	Ps.336,923,824	**Ps.412,001,302**
Land and buildings	44,187,818	**55,250,523**
Other assets	51,312,793	**65,455,040**
	432,424,435	**532,706,865**
Less: Accumulated depreciation	(73,712,544)	**(135,463,376)**
Net	358,711,891	**397,243,489**
Construction in process and advances to equipment suppliers	41,082,331	**50,848,277**
Inventory for operation of the telephone plant	12,026,165	**17,995,007**
Total	Ps.411,820,387	**Ps.466,086,773**

a) An analysis of Property, plant and equipment, net at December 31, 2009, 2010 and 2011 is as follows:

Cost	**Telephone plant and equipment**	**Land and buildings**	**Other assets**	**Construction in process and advances to telephone plant suppliers**	**Inventories for operation of the telephone plant**	**Total**
At January 1, 2009	Ps.270,613,218	Ps.39,583,321	Ps.33,483,863	Ps.36,782,499	Ps.10,064,856	Ps.390,527,757
Additions	74,959,087	2,853,991	15,714,566	39,677,448	10,885,462	144,090,554
Retirements and transfers	(23,178,763)	(590,465)	(2,765,727)	(46,402,477)	(12,711,215)	(85,648,647)
Effect of translation	24,383,870	1,171,276	6,234,060	4,621,270	305,839	36,716,315
At December 31, 2009	346,777,412	43,018,123	52,666,762	34,678,740	8,544,942	485,685,979
Additions	69,658,347	5,563,225	17,013,627	49,295,626	16,090,226	157,621,051
Retirements and transfers	(70,803,070)	(3,994,709)	(15,292,206)	(41,672,926)	(12,408,095)	(144,171,006)
Effect of translation	(8,708,865)	(398,821)	(3,075,390)	(1,219,109)	(200,908)	(13,603,093)
At December 31, 2010	336,923,824	44,187,818	51,312,793	41,082,331	12,026,165	485,532,931
Additions	**72,736,548**	**9,680,678**	**13,492,397**	**38,419,430**	**18,904,313**	**153,233,366**
Retirements and transfers	**(16,186,099)**	**(350,418)**	**(2,262,172)**	**(30,439,838)**	**(13,311,357)**	**(62,549,884)**
Effect of translation	**18,527,029**	**1,732,445**	**2,912,022**	**1,786,354**	**375,886**	**25,333,736**
At December 31, 2011	**Ps.412,001,302**	**Ps.55,250,523**	**Ps.65,455,040**	**Ps.50,848,277**	**Ps.17,995,007**	**Ps.601,550,149**

Cost	Telephone plant and equipment	Land and buildings	Other assets	Construction in process and advances to telephone plant suppliers	Inventories for operation of the telephone plant	Total
Depreciation						
At January 1, 2009						
Depreciation of the year	Ps. 55,817,970	Ps. 2,486,281	Ps. 13,642,873		Ps. 3,122	Ps. 71,950,246
Retirements and transfers	(9,528,934)	(974,357)	(7,178,373)		(18,840)	(17,700,504
Effect of translation	9,952,735	(108,442)	2,866,213		(6,901)	12,703,605
At December 31, 2009					Ps. (22,619)	
	Ps. 56,241,771	Ps. 1,403,482	Ps. 9,330,713			Ps. 66,953,347
Depreciation of the year	63,414,234	$ 2,933,314	$ 13,913,627		33,515	80,294,690
Retirements and transfers	(55,238,068)	(3,809,266)	(8,930,180)		(22,509)	(68,000,023)
Effect of translation	(5,592,649)	(350,241)	413,696		(6,276)	(5,535,470)
At December 31, 2010	58,825,288	177,289	14,727,856		(17,889)	73,712,544
Depreciation of the year	**68,660,250**	**1,396,102**	**12,581,222**		**4,626**	**82,642,200**
Retirements and transfers	**(30,664,840)**	**(53,910)**	**(3,211,913)**		**(7,988)**	**(33,938,651)**
Effect of translation	**11,130,430**	**318,881**	**1,590,024**		**7,948**	**13,047,283**
At December 31, 2011	**Ps.107,951,128**	**Ps. 1,838,362**	**Ps. 25,687,189**		**Ps. (13,303)**	**Ps.135,463,376**
Book value						
At December 31, 2009	Ps.290,535,641	Ps.41,614,641	Ps. 43,336,049	Ps.34,678,740	Ps. 8,567,561	Ps.418,732,632
At December 31, 2010	278,098,536	44,010,529	36,584,937	41,082,331	12,044,054	411,820,387
At December 31, 2011	**Ps.304,050,174**	**Ps.53,412,161**	**Ps. 39,767,851**	**Ps.50,848,277**	**Ps.18,008,310**	**Ps.466,086,773**

b) At December 31, 2010 and 2011, property, plant and equipment includes the following assets under capital leases:

	2010	**2011**
Assets under capital leases	Ps. 2,902,679	**Ps. 946,583**
Accumulated depreciation	(1,160,237)	**(559,696)**
	Ps. 1,742,442	**Ps 386,887**

c) In view of the major advances and changes in telecommunications equipment technology, the Company periodically reevaluates the estimated useful lives of its telephone plant and adjusts the remaining useful lives. In 2009, the Brazilian subsidiary (Claro) increased the depreciation rate for its telephone plant of GSM Technology on a prospective basis. In 2010, the Company increased the depreciation rates of its assets that use certain fixed telephony technologies, mainly in Brazil, Colombia, Paraguay and Guatemala. These changes in estimates were made to better reflect technological advances in telecommunications equipment in the Company's accounting. The increase in depreciation rates gave rise to an increase in depreciation expense for the years ended December 31, 2009 and 2010 of Ps.4,461,748 and Ps.6,291,113, respectively.

d) At December 31, 2011, Embratel has real property and other equipment delivered in guarantee of legal proceedings in the amount of Ps.2,609,023 (Ps.2,686,636 in 2010).

e) Relevant information related to the computation of the capitalized borrowing costs is as follows:

		At December 31,	
	2009	2010	**2011**
Amount invested in the acquisition of qualifying assets	Ps. 29,226,390	Ps. 41,976,901	**Ps. 51,240,658**
Capitalized interest	1,862,628	2,540,837	**3,845,609**
Capitalization rate	6.4%	6.1%	**7.5%**

This amount is being amortized over a period of 7 years, which is the estimated useful life of the plant.

f) Others

In December 2009, Star One entered into an agreement denominated in U.S. dollars with a manufacturer for the construction and launching of the Star One C-3 satellite. The cost of the project is estimated to be approximately Ps. 3,777,408 (US$ 270 million). At December 31, 2011, the amount of construction in process associated with this project amounts to Ps.2,478,777 (Ps.992,842 in 2010).

In January 2012, Star One signed a contract to build a new satellite called Star One C-4, which will be equipped with "Transponder Band Ku" of high potency and its launch is expected to occur in June 2014.

9. Intangible and Other Assets

a) An analysis of intangible and other assets at December 31, 2010 and 2011 is as follows:

	At December 31, 2009					
	Balance at beginning of year	Acquisitions	Disposals	Amortization of the year	Effect of translation of foreign subsidiaries, net	Balance at end of year
Licenses and rights of use	Ps. 95,811,743	Ps. 9,237,878				Ps. 105,049,621
Effect of translation					Ps. 6,099,366	6,099,366
Accumulated amortization	(54,032,227)			Ps.(6,585,078)		(60,617,305)
Net	41,779,516	9,237,878		(6,585,078)	6,099,366	50,531,682
Trademarks	12,163,183		Ps. 1,679			12,164,862
Effect of translation					287,104	287,104
Accumulated amortization	(5,749,400)			(1,168,410)		(6,917,810)
Net	6,413,783		1,679	(1,168,410)	287,104	5,534,156
Goodwill	64,706,795					64,706,795
Effect of translation					4,489,371	4,489,371
Net	Ps. 64,706,795				Ps. 4,489,371	Ps. 69,196,166

	At December 31, 2010					
	Balance at beginning of year	Acquisitions	Disposals	Amortization of the year	Effect of translation of foreign subsidiaries, net	Balance at end of year
Licenses and rights of use	Ps. 105,049,621	Ps. 4,705,397	Ps.(404,911)			Ps. 109,350,107
Effect of translation	6,099,366				Ps.(1,385,222)	4,714,144
Accumulated amortization	(60,617,305)		248,054	Ps.(9,174,142)		(69,543,393)
Net	50,531,682	4,705,397	(156,857)	(9,174,142)	(1,385,222)	44,520,858
Trademarks	12,164,862	81,612				12,246,474
Effect of translation	287,104				203,952	491,056
Accumulated amortization	(6,917,810)			(1,287,843)		(8,205,653)
Net	5,534,156	81,612		(1,287,843)	203,952	4,531,877
Goodwill	64,706,795					64,706,795
Effect of translation	4,489,371				1,722,801	6,212,172
Net	Ps. 69,196,166				Ps. 1,722,801	Ps. 70,918,967

	At December 31, 2011					
	Balance at beginning of year	**Acquisitions**	**Disposals**	**Amortization of the year**	**Effect of Translation of foreign subsidiaries, net**	**Balance at end of year**
Licenses and rights of use	**Ps.109,350,107**	**Ps.2,628,249**	**Ps.(281,397)**			**Ps.111,696,959**
Effect of translation	**4,714,144**				**1,231,521**	**5,945,665**
Accumulated amortization	**(69,543,393)**	**(1,075)**	**164,135**	**$ (9,731,392)**		**(79,111,725)**
Net	**44,520,858**	**2,627,174**	**(117,262)**	**(9,731,392)**	**1,231,521**	**38,530,899**
Trademarks	**12,246,474**					**12,246,474**
Effect of translation	**491,056**				**(299,963)**	**191,093**
Accumulated amortization	**(8,205,653)**			**(1,225,060)**		**(9,430,713)**
Net	**4,531,877**			**(1,225,060)**	**(299,963)**	**3,006,854**
Goodwill	**64,706,795**	**159,797**	**(152,285)**			**64,714,307**
Effect of translation	**6,212,172**				**2,111,954**	**8,324,126**
Net	**Ps.70,918,967**	**Ps. 159,797**	**Ps.(152,285)**		**Ps.2,111,954**	**Ps. 73,038,433**

b) The following is a description of the major changes in the "Licenses and rights of use" caption during the years ended December 31, 2010 and 2011:

2011 Acquisitions

i) During the first quarter of 2011, the Company won a public bid to provide mobile telecommunications services on a nationwide level in Costa Rica. The concession obtained by its subsidiary grants the Company the right to use and exploit the 70Mhz frequency range for a term of 15 years. The upfront amount paid was Ps. 926 million and no further payments need to be made.

ii) As a consequence of the acquisition of Digicel Group described in Note 10, AMX recognized a license for an amount of Ps. 1,149,119 (U.S.$82.1 million approximately). This license grants the Company right to use and exploit the 900 Mhz frequency range for a term of 25 years.

2010 Acquisitions

i) In March 2010, Telcel obtained an extension on the concessions over its 9 regions to install, operate and exploit a public telecommunications network in the allocated frequencies of 835-84/880-890 Mhz, for which it paid Ps.74,843.

ii) In August 2010, Telcel obtained concessions for its 9 operating regions to use, operate and exploit 10 Mhz frequency bandwidth of radiofrequency spectrum for specific purposes in Mexico (Bid 21). These concessions are for periods of up to 20 years as of their issuance date for which the Company paid Ps.3,793,865.

Both concessions have been amortized starting the month after they were issued, using the straight line method based over their respective useful lives.

2009 Acquisitions

In 2009, the investment mainly refers to the acquisition of irrevocable rights of use (IRUs), and point-to-point concessions from related parties (NET) for a 5-year period with the option to renew for an additional 5-year term.

This concession has been amortized starting the month after it was issued, using the straight line method based over its respective useful life.

c) Amortization of licenses, rights of use and trademarks for the years ended December 31, 2009, 2010 and 2011 amounted to Ps.7,753,488, Ps.10,461,985, and Ps.10,956,452, respectively.

10. Equity Investments in Associates and Acquisitions

a) An analysis of this caption is as follows

	At December 31, 2010	At December 31, **2011**
Investments in:		
Net Serviços de Comunicação, S.A.	Ps.49,675,380	**Ps.53,055,002**
Other investments	864,075	**Ps. 1,163,021**
Total	Ps.50,539,455	**Ps 54,218,023**

b) The following is a summary of changes in the investment in Net Serviços de Comunicação, S.A. (NET) during the years ended December 31, 2009, 2010 and 2011:

	Balance at January 1, 2009	Equity Interest Acquired	Equity Interest in net income of associate	Effect of translation	Balance at December 31, 2009
NET	Ps.11,156,688		Ps.1,859,064	Ps.3,551,946	Ps.16,567,698

	Balance at December 31, 2009	Equity Interest Acquired	Equity Interest in net income of associate	Effect of translation	Balance at December 31, 2010
NET	Ps.16,567,698	Ps.31,524,315	Ps.1,432,726	Ps.150,641	Ps.49,675,380

	Balance at December 31, 2010	**Equity interest acquired**	**Equity interest in net income of associate**	**Effect of translation**	**Balance at December 31, 2011**
NET	**Ps.49,675,380**	**Ps.1,185,359**	**Ps.1,856,331**	**Ps.337,932**	**Ps.53,055,002**

c) The following is a description of the major acquisitions during the years ended December 31, 2010 and 2011:

Acquisitions 2010

Net Serviços de Comunicação, S.A. (NET)

On October 13, 2010, AMX's subsidiary, Embratel, purchased 155,415,666 preferred shares, no par value, of NET through a public offering. A sufficient number of preferred shares were tendered into the offer to give rise to a shareholder put right at the offer price adjusted for inflation through settlement of the put. The period for exercising the shareholder put right expired on January 13, 2011. A total of 49,847,863 preferred shares, equivalent to 21.81% of outstanding preferred shares as of October 13, 2010, were tendered during the shareholder put right period, bringing the final number of preferred shares tendered into the offer to 193,701,299. The total purchase price of all preferred shares acquired pursuant to the tender offer was approximately R$ 4.3 billion (Ps. 31,525 million at the exchange rate as of January 13, 2011) paid in cash.

As a result of these acquisitions, at December 31, 2010 and 2011, AMX, through Embratel Participações, S.A (Embrapar) and Embratel, had an equity interest in NET (directly and indirectly) of 84.8% and 87.5%, respectively.

The investment in NET was not consolidated by AMX as of December 31, 2010 and 2011 because the Company did not have a controlling interest in the voting common shares at that time.

In September 2011, the Brazilian Congress lifted the 49% cap on foreign ownership of cable operators. Consequently, regulatory approval from Anatel was given to Embrapar to obtain control in NET in February 2012. As a result of this approval, AMX was legally entitled to exercise control over NET and accordingly began to consolidate NET in its financial statements during the first quarter of 2012.

The following tables show condensed consolidated financial information of NET:

Net Serviços de Comunicação, S.A.
Condensed Consolidated Statements of Financial Position
(Thousand of Mexican pesos)

	As of December 31, 2010	**2011**
Assets		
Current assets	Ps. 15,880,829	**Ps. 12,150,510**
Non current assets	48,300,106	**63,961,551**
Total of assets	Ps. 64,180,935	**Ps. 76,112,061**
Liabilities and equity		
Current liabilities	Ps. 9,373,879	**Ps. 12,968,905**
Non current liabilities	26,095,392	**25,857,182**
Total of liabilities	35,469,271	**38,826,087**
Total of equity	28,711,664	**37,285,974**
Total of liabilities and equity	Ps. 64,180,935	**Ps. 76,112,061**

Condensed Consolidated Statements of Income

	2009	As of December 31, 2010	**2011**
Operating revenues, net	Ps. 28,810,704	Ps. 36,051,290	**Ps. 45,631,540**
Operating costs and expenses	24,788,693	31,510,857	**41,117,974**
Operating income	4,022,011	4,540,433	**4,513,566**
Net profit	Ps. 4,622,785	Ps. 2,559,185	**Ps. 2,005,330**

As a result of AMX obtaining control of NET in February 2012, the Company must recognize the acquisition as a business combination in accordance with IFRS 3 based on the fair value of NET's assets acquired, liabilities assumed and the non-controlling interest. Accordingly, the Company will derecognize its equity method investment in NET and recognize the difference between its carrying value and the fair value of the non-controlling interest at the acquisition date in comprehensive income. The fair value of the assets acquired and liabilities assumed will be consolidated into the Company's statement of financial position, and NET's future operating results will be consolidated in the statement of comprehensive income. The Company is still in the process of determining the fair value of NET's assets and liabilities and the related derecognition of the equity method investment.

Acquisitions 2011

Other

Star One S.A.

In July 2011, our subsidiary Empresa Brasileira de Telecomunicações S.A. ("Embratel") acquired a 20% interest in Star One S.A. ("Star One") from GE Satellite Holdings LLC and its affiliates for a total purchase price of Ps.2,716 million (US$ 235 million). Star One is a Brazilian company that provides satellite services in Brazil. Prior to that date, Embratel owned the remaining 80% interest in Star One, so that Embratel now owns all of the shares.

Digicel Group Limited

On November 30, 2011, América Móvil announced that as a result of the agreement entered into with Digicel Group Limited and its affiliates ("Digicel"), during the first quarter of 2011, it has acquired as of the date hereof 100% of Digicel's operations in Honduras and consummated the sale of its operations in Jamaica to Digicel. The amount paid was Ps. 4,733,385.

The Company is in the process of determining the final fair value of the net assets acquired in order to be able to apply the purchase price allocation.

Subsequent events

a) On January 6, 2012, América Móvil, entered into an agreement with Claxson Interactive Group, Inc. during the fourth quarter of 2011, and has acquired as of such date 100% of the shares representing the capital stock of DLA, Inc. ("DLA"). The amount paid was Ps. 615,927 (US$ 50 million).

DLA is the leading corporation in the development, integration and delivery of entertainment products made for digital distribution in Latin America.

b) On January 26, 2012, the Brazilian regulator (Agencia Nacional de Telecomunicaciones de Brasil "ANATEL") approved that the control of NET could be transferred to Embratel Participaçoes, S.A (Embrapar). This authorization allows Embrapar to exercise the purchase option related to the common voting shares of NET that are owned by GB Empreendimentos e Participacoes S.A. (GB), which is the entity that controls NET. Once the option is exercised, Embrapar jointly with its subsidiary Embratel will have the controlling interest in NET.

On March 5, 2012, Embrapar acquired the 1,077,520 common voting shares owned by GB that were included in the purchase option. The amount paid to acquire these shares was Ps. 47,649 million (R$ 6,439 million). The shares acquired represent 5.5% of the outstanding common voting shares of NET; increasing Embrapar's ownership of the outstanding shares with voting rights to 54.5%.

As a result of that transaction, direct and indirect equity participation of the Company in NET is 90.0%. With this acquisition, AMX expects to increase its activities in the Brazilian telecommunication market.

11. Derivative Financial Instruments

To mitigate the risks of future increases in interest rates for the servicing of its long-term debt of Ps.353,975,487 as of December 31, 2011, the Company has entered into interest-rate swap contracts in over-the-counter transactions carried out with financial institutions from which the Company has obtained the loans. No collateral or other amounts are given as a guarantee in connection with these transactions. The weighted average interest rate of the total debt is 4.6%.

An analysis of the derivative financial instruments contracted by the Company at December 31, 2010 and 2011 is as follows:

	At December 31,							
	2010				**2011**			
Instrument	Notional amount in millions		Fair value in millions		**Notional amount in millions**		**Fair value in millions**	
Swaps Dollar-Peso	US$	3,592	Ps.	5,220	**US**	**2,801**	**Ps.**	**8,181**
Swaps Euro-Peso	€	244		(342)	**€**	**306**		**454**
Swaps Euro-Dollar	€	123		36	**€**	**955**		**(456)**
Swaps Yen-Dollar	¥	13,000		576	**¥**	**6,900**		**6**
Swaps Yen-Peso	¥	19,891		1,006				
Swaps CHF-Euro		230		501				**—**
Swaps CHF-Dollar				—		**230**		**(63)**
Interest rate swaps in Pesos	Ps.	16,649		(1,526)	**$**	**12,840**		**(1,496)**
Forwards Dollar-Peso	US$	1,673		(150)	**US$**	**3,408**		**1,133**
Forwards Pound-Peso						**25**		**17**
Forwards Euro-Dollar				—		**90**		**2**
Total asset			Ps.	5,321			**Ps.**	**7,778**
Interest rate swaps	Ps.	9,400	Ps.	(454)	**Ps.**	**9,400**	**Ps.**	**(851)**
Forwards Reales-Dollar				—		**50**		**(22)**
Total liability			Ps.	(454)			**Ps.**	**(873)**

The changes in the fair value of these derivative financial instruments for the years ended December 31, 2009, 2010 and 2011 amounted to a (loss) gain of Ps. (8,571,230), Ps. (9,141,976) and Ps.10,889,940, respectively, and such amounts are included in the statement of comprehensive income as part of the caption "Valuation of derivatives and other financial items, net".

12. Employee Benefits

a) An analysis of the net liability for employee benefits is as follows:

	At December 31,			
		2010		**2011**
Mexico	Ps.	77,531	**Ps.**	**113,861**
Ecuador		62,477		**73,351**
Brazil		2,483,463		**1,913,544**
Puerto Rico		10,261,508		**11,214,980**
Total	Ps.	12,884,979	**Ps.**	**13,315,736**

The Company's post-retirement obligations for seniority premiums, pension and retirement plans, and medical services in the countries in which it operates and that have defined benefit and defined contribution plans are as follows:

b) Puerto Rico

Pension plan

Pursuant to the provisions of the 1974 Retirement Income Assurance Act ("Acto de Seguridad de Renta de Jubilación de 1974") of the Republic of Puerto Rico, all full time employees in Puerto Rico are entitled to a retirement plan. Contributions to the plan are deductible for income tax purposes.

This pension plan is comprised of two types of payments:

- The annuity or retirement pension to which workers are entitled when they reach a certain number of years of service is computed by applying certain percentages to the number of years of service, taking as a basis the salary of the worker during the last three years of employment, and
- The payment of an amount that ranges from 9 to 12 months of the employee's current salary. The number of months (9 or 12) depends on the number of years of service of the employee.

The following tables show the net benefit cost and liabilities for labor obligations related to the funds and costs associated with these pension and post-retirement plans at December 31, 2010 and 2011:

	At December 31,			
	2010		**2011**	
	Pensions and sum of benefits	Post-retirement benefits	**Pensions and sum of benefits**	**Post-retirement benefits**
Projected benefit obligation at beginning of year	Ps. 18,029,248	Ps. 8,829,662	**Ps. 18,764,099**	**Ps. 9,276,354**
Service cost	232,830	72,746	**257,771**	**99,977**
Financing cost on projected benefit obligation cost	989,746	475,600	**1,104,092**	**527,196**
Actuarial loss (gain)	1,882,297	913,352	**1,637,459**	**677,230**
Other amended plans		54,149	**(122,671)**	**130,009**
Payments from trust fund		(201,866)		**(899,653)**
Expected partial reimbursements		11,356		
Benefits paid	(1,401,372)	(404,263)	**(1,714,500)**	**(472,949)**
Effect of translation	(968,650)	(474,382)	**2,480,146**	**1,226,100**
Projected benefit obligation at end of year	Ps. 18,764,099	Ps. 9,276,354	**Ps. 22,406,396**	**Ps. 10,564,264**
Projected benefit obligation total (PBO)		Ps. 28,040,453		**Ps. 32,970,660**
Accumulated benefit obligation (ABO)		Ps. 18,619,926		**Ps. 24,210,778**
Changes in plan assets:				
Established fund at beginning of year	Ps. 13,798,568	Ps.	**Ps. 12,786,011**	**$**
Actual return on plan assets	954,922		**1,039,071**	
Employee contributions	641,419	338,758	**1,205,972**	**472,949**
Payments from trust fund		54,149		
Benefits paid	(1,392,265)	(392,907)	**(1,704,248)**	**(472,949)**
Actuarial loss (gain)	(475,281)		**(733,138)**	
Effect of translation	(741,352)		**1,689,993**	
Established fund at end of year	Ps. 12,786,011	Ps.	**Ps. 14,283,661**	
Plan asset shortfall	Ps. (5,978,088)	Ps. (9,276,354)	**Ps. (8,122,735)**	**Ps. (10,564,264)**
Unrecognized actuarial loss, net	5,016,009	988,627	**7,544,116**	**1,731,239**
Past services and changes in plans	(576,378)	(435,324)	**(590,412)**	**(1,212,924)**
Total liabilities, net	Ps. (1,538,457)	Ps. (8,723,051)	**Ps. (1,169,031)**	**Ps. (10,045,949)**

Net period cost

An analysis of the net period cost for the years ended December 31, 2009, 2010 and 2011 is as follows:

	2009		2010		**2011**	
	Pensions and sum of benefits	Post-retirement benefits	Pensions and sum of benefits	Post-retirement benefits	**Pensions and sum of benefits**	**Post-retirement benefits**
Service cost	Ps. 272,015	Ps. 79,899	Ps. 232,830	Ps. 72,746	**Ps. 257,771**	**Ps. 99,977**
Financing cost on projected benefit obligation	1,101,801	515,593	989,746	475,600	**1,104,092**	**527,196**
Actual return on plan assets	(1,163,528)		(954,922)		**(1,039,071)**	
Effect of adjustments	(113,682)				**50,365**	
Net actuarial loss	8,925	3,119	99,475	11,504	**332,445**	**65,290**
Past services and changes in plans	(43,507)	(12,157)	(54,893)	(61,607)	**(62,148)**	**(179,591)**
	Ps. 62,024	Ps. 586,454	Ps. 312,236	Ps. 498,243	**Ps. 643,454**	**Ps. 512,872**

Actuarial assumptions

The average rates used in determining the net period cost for 2010 and 2011 were as follows:

	2010	2011
Discount rate	5.90%	**5.30%**
Long-term rate of return	7.50%	**7.25%**
Rate of future salary increases	4.00%	**4.00%**

The average rates and other actuarial assumptions used in determining post-retirement obligations for medical services and others are as follows:

	2010	2011
Percentage of increase in health care costs for the coming year	6.7%	**6.5%**
Cost percentage due to death	4.50%	**4.50%**
Year to which this level will be maintained	2021	**2021**

The average rates and other actuarial assumptions used to determine the net period cost of post-retirement obligations are as follows:

	2010	2011
Percentage of increase in health care costs for the following year	6.9%	**6.7%**
Cost percentage due to death	4.50%	**4.50%**
Year to which this level will be maintained	2021	**2021**

The projected return on plan assets is as follows:

	2010	2011
Equity instruments	4.3%	**11.8%**
Debt instruments	6.9%	**9.6%**
Cash and cash equivalents	1.0%	**0.1%**

Plan assets

The percentages invested in plan assets are as follows:

	Post-retirement benefits	
	2010	2011
Equity instruments	1.54%	**14.96%**
Debt instruments	48.06%	**48.56%**
Cash and cash equivalents	50.40%	**36.48%**
	100.00%	**100.00%**

c) Brazil (Embratel)

Embratel has a defined benefit pension plan (DBP) and a defined contribution plan (DCP) that covers virtually all of its employees, as well as a medical assistance plan (MAP) granted to participants in the DBP. The liabilities (assets) recognized at December 31, 2010 and 2011 under such plans are as follows:

	At December 31,	
	2010	2011
DBP and MAP	Ps. 2,100,878	**Ps. 1,552,335**
DCP	382,585	**361,209**
Total liabilities, net	Ps. 2,483,463	**Ps. 1,913,544**

Pension plan

An analysis of obligations under the DBP, DCP and MAP at December 31, 2010 and 2011, as well as the changes in such plans during the years ended December 31, 2010 and 2011, is as follows:

	At December 31, 2010	At December 31, **2011**
Projected benefit obligation at beginning of year	Ps. 12,559,734	**Ps. 14,796,418**
Service cost	333	**82**
Financing cost on projected benefit obligation	1,344,463	**1,540,995**
Actuarial loss (gain)	2,090,176	**(290,429)**
Payments from trust fund	(1,058,467)	**(1,132,232)**
Effect of translation	(139,821)	**83,850**
Projected benefit obligation at end of year	Ps. 14,796,418	**Ps. 14,998,684**
Changes in plan assets:		
Established fund at beginning of year	Ps. 12,309,992	**Ps. 15,606,426**
Actual return on plan assets	1,316,704	**1,714,096**
Actuarial loss (gain)	3,008,667	**379,243**
Employee contributions	166,571	**171,378**
Payments from trust fund	(1,058,467)	**(1,132,232)**
Effect of translation	(137,040)	**88,442**
Established fund at end of year	Ps. 15,606,427	**Ps. 16,827,353**
Plan asset surplus	Ps. 810,009	**Ps. 1,828,669**
Unrecognized actuarial loss, net	(2,910,887)	**(3,381,004)**
Total liabilities, net	Ps. (2,100,878)	**Ps. (1,552,335)**

Net period cost

An analysis of the net period cost for the years ended December 31, 2009, 2010 and 2011 is as follows:

	At December 31, 2009	2010	**2011**
Service cost	Ps. 193	Ps. 331	**Ps. 82**
Financing cost on projected benefit obligation	1,338,914	1,344,463	**1,540,995**
Projected return on plan assets	(1,247,229)	(1,316,704)	**(1,714,096)**
Amortization of actuarial (gains) losses	(40,653)	(97,320)	**(216,061)**
	PS. 51,225	Ps. (69,230)	**Ps. (389,080)**

Actuarial assumptions

The average rates used in determining the net period cost for 2010 and 2011 were as follows:

	2010	**2011**
Long-term rate of return	11.25%	**11.42%**
Rate of future salary increases	4.50%	**4.50%**
Discount rate	10.75%	**11.09%**

Plan assets

The percentages invested in plan assets are as follows:

	At December 31, 2010	**2011**
Debt instruments	88.06%	**91.26%**
Equity instruments	7.88%	**6.27%**
Other investments	4.06%	**2.47%**
	100.00%	**100.00%**

DCP

Embratel makes contributions to the DCP through Embratel Social Security Fund—Telos. Contributions are computed based on the salaries of the employees, who decide on the percentage of their contributions to the plan (between 3% and 12% of their salaries). Embratel contributes the same percentage as the employee, capped at 8% of the participant's balance. All employees are eligible to participate in this plan.

The unfunded liability represents Embratel's obligation for those participants that migrated from the DBP to the DCP. This liability is being amortized over a term of 20 years as of January 1, 1999. Unpaid balances are adjusted monthly based on the yield of the asset portfolio at that date and is increased based on the General Price Index of Brazil plus 6 percentage points per year. At December 31, 2011, the balance of the DCP liability was Ps.361,209 (Ps.382,585, at December 31, 2010).

d) Mexico (Teléfonos de México)

Pensions and seniority premiums

Telmex has an employee pension and seniority premium plan that covers most of its workers. Pensions and seniority premiums are determined based on the salary of workers in their final year of service, the number of years worked at Telmex and their age at retirement.

Telmex has established an irrevocable trust fund and makes annual contributions to that trust fund, which are considered deductible for purposes of income tax and employee profit sharing. The most important information related to labor obligations is as follows:

Analysis of changes in the defined benefit obligation

	At December 31, 2010	**2011**
Defined benefit obligation at beginning of year	Ps. 197,332,833	**Ps. 216,927,167**
Service cost	4,850,844	**5,036,684**
Financing cost on projected benefit obligation	17,751,583	**19,418,689**
Actuarial loss	7,608,718	**5,025,389**
Payments to employees	(6,438,985)	**(11,472,579)**
Payments from trust fund	(4,177,826)	**(710,120)**
Defined benefit obligation at end of year	Ps. 216,927,167	**Ps. 234,225,230**

Analysis of changes in plan assets

	At December 31, 2010	**2011**
Established fund at beginning of year	Ps. 163,995,375	**Ps. 180,580,128**
Projected return on plan assets	19,680,678	**21,665,379**
Actuarial gain (loss)	1,081,612	**(16,988,768)**
Contributions to trust fund	289	**—**
Payments from trust fund	(4,177,826)	**(710,120)**
Established fund at end of year	Ps. 180,580,128	**Ps. 184,546,619**

Analysis of the pension asset

	At Decemer 31, 2009	2010	**2011**
Plan assets shortfall for the defined benefit obligation	Ps.(33,337,458)	Ps.(36,347,039)	**Ps.(49,678,611)**
Unamortized actuarial loss	48,462,508	52,571,969	**71,964,612**
Past services and changes in plan	89,142	65,437	**41,732**
Pension asset	Ps. 15,214,192	Ps. 16,290,367	**Ps. 22,327,733**

Analysis of net period cost for the years ended December 31, 2009, 2010 and 2011 is as follows:

	2009	2010	**2011**
Service cost	Ps. 4,431,755	Ps. 4,850,844	**Ps. 5,036,684**
Financing cost on projected benefit obligation	15,861,542	17,751,583	**19,418,689**
Projected return on plan assets	(17,568,093)	(19,680,678)	**(21,665,379)**
Amortization of past services and transition liability	23,705	23,705	**23,705**
Amortization of variances in assumptions	2,251,716	2,418,254	**2,621,515**
Net period cost	Ps. 5,000,625	Ps. 5,363,708	**Ps. 5,435,214**

The rates used in the actuarial studies at both December 31, 2010 and 2011 were as follows:

	Nominal rates %
Discount of labor obligations:	
Long-term average	9.2
Salary increase:	
Long-term average	4.5

Plan assets

The percentages invested in plan assets at December 31, 2010 and 2011 are as follows:

	2010	**2011**
Equity instruments	53.6	**50.4**
Debt instruments	46.4	**49.6**
	100.0	**100.0**

As of December 31, 2011, the fair value of Telmex's securities held by the plan assets was Ps.1,482,834 (Ps.3,368,416 at December 31, 2010). Also, the plan assets of Telmex include 44.4% and 44.7% of securities of the Company and other related parties at December 31, 2011 and 2010, respectively. The purchases and sales of these securities made by the plan were at market value.

	Post-retirement mortality for pensioners more than 65 years old 2010	**2011**
Pension plan:		
Men	1.94%	**1.94%**
Women	1.94%	**1.94%**

In 2011, the net actuarial loss of Ps. 22,014,157 is comprised of (i) an actuarial loss of Ps. 16,988,768 resulting from the behavior in the plan assets due to increases in the value of equity instruments, and in fixed-yield instruments due to variances in the reference rates, and (ii) an actuarial loss of Ps. 5,025,389, due primarily to the fact that the number of employees who retired exceeded the number of estimated retirements at the beginning of the year, and that the increases in salaries and pensions for retired personnel exceeded the increases estimated at the beginning of the year.

In 2010, the net actuarial loss of Ps.6,527,106 is comprised of (i) an actuarial gain of Ps.1,081,612 resulting from the behavior in the plan assets due to increases in the value of equity instruments, and in fixed-yield instruments due to variances in the reference rates, and (ii) an actuarial loss of Ps.7,608,718, due primarily to the fact that the number of employees who retired exceeded the number of estimated retirements at the beginning of the year, and that the increases in salaries and pensions for retired personnel exceeded the increases estimated at the beginning of the year.

In 2009, the net actuarial loss of Ps. 5,872,557 is comprised of (i) an actuarial gain of Ps. 4,328,439 resulting from the behavior in the plan assets due to increases in the value of the equity instruments, and in fixed-yield instruments due to variances in the reference rates, and (ii) an actuarial loss of Ps. 10,200,996, due primarily to the fact that the number of employees who retired exceeded the number of estimated retirements at the beginning of the year, and that the increases in salaries and pensions for retired personnel exceeded the increases estimated at the beginning of the year.

e) In the case of Mexico (Telcel) and Ecuador, the net period cost of other benefits for the years ended December 31, 2009, 2010 and 2011 was Ps.50,551, Ps.46,447 and Ps.57,965, respectively, for Mexico, and Ps.13,077, Ps.8,706 and Ps.12,095, respectively, for Ecuador.

f) For the rest of the countries where the Company operates and that do not have defined benefit plans or defined contribution plans, the Company makes contributions to the respective governmental social security agencies, which are recognized in results of operations as they are incurred.

13. Accounts Payable and Accrued Liabilities

a) An analysis of the caption Accounts payable and accrued liabilities is as follows:

	At December 31,	
	2010	**2011**
Suppliers	Ps. 79,306,314	**Ps. 92,484,803**
Sundry creditors	25,752,651	**37,982,974**
Interest payable	4,928,705	**6,242,819**
Accrued expenses and other provisions	31,534,351	**37,156,996**
Guarantee deposits	1,311,837	**1,753,530**
Dividends payable	2,761,069	**3,119,333**
Total	Ps.145,594,927	**Ps.178,740,455**

b) An analysis of accrued expenses and other provisions at December 31, 2010 and 2011 is as follows:

	Balance at December 31, 2009	**Effect of translation**	**Increase of the year**	**Applications**		**Balance at December 31, 2010**
				Payments	**Reversals**	
Direct employee benefits payable	Ps. 5,692,129	Ps.(137,127)	Ps.10,398,406	Ps.(7,146,085)	Ps. (55,170)	Ps. 8,752,153
Asset retirement obligations	3,481,706	(41,959)	1,583,676	(245,637)	(96,377)	4,681,409
Contingencies	13,388,439	(206,161)	5,912,733	(700,718)	(293,504)	18,100,789
	Ps.22,562,274	Ps.(385,247)	Ps.17,894,815	Ps.(8,092,440)	Ps.(445,051)	Ps.31,534,351

	Balance at December 31, 2010	**Effect of translation**	**Increase of the year**	**Applications**		**Balance at December 31, 2010**
				Payments	**Reversals**	
Direct employee benefits payable	Ps. 8,752,153	**Ps. 75,425**	**Ps.10,195,237**	**Ps.(10,764,332)**	**Ps.(64,395)**	**Ps. 8,194,088**
Asset retirement obligations	4,681,409	**79,891**	**1,661,841**	**(29,960)**	**(5,952)**	**6,387,229**
Contingencies	18,100,789	**266,616**	**5,034,512**	**(819,307)**	**(6,931)**	**22,575,679**
	Ps.31,534,351	**Ps.421,932**	**Ps.16,891,590**	**Ps.(11,613,599)**	**Ps.(77,278)**	**Ps.37,156,996**

14. Other Financial Assets and Liabilities

Fair value hierarchy

At December 31, 2010 and 2011, América Móvil had the following financial instruments measured at fair value shown in the statement of financial position.

The Company’s valuation techniques used to determine and disclose the fair value of its financial instruments are based on the following hierarchy:

Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities;

Level 2: Variables other than quoted prices in Level 1 that are observable for the asset or liability, either directly (prices) or indirectly (derived from prices); and

Level 3: Variables used for the asset or liability that are not based on any observable market data (non-observable variables).

	Measurement of fair value at December 31, 2010			
	Level 1	Level 2	Level 3	Total
Assets:				
Derivatives		Ps. 5,004,483		Ps. 5,004,483
Pension plan assets	Ps 208,972,566			208,972,566
Total	Ps.208,972,566	Ps. 5,004,483		Ps.213,977,049
Liabilities:				
Debt	Ps.236,888,485	Ps.90,050,880		Ps.326,939,365
Derivatives		453,932		453,932
Total	Ps.236,888,485	Ps.90,504,812		Ps.327,393,297

	Measurement of fair value at December 31, 2011			
	Level 1	**Level 2**	**Level 3**	**Total**
Assets:				
Derivatives		**Ps. 7,777,953**		**Ps. 7,777,953**
Pension plan assets	**Ps.215,657,633**			**215,657,633**
Total	**Ps.215,657,633**	**Ps. 7,777,953**		**Ps.223,435,586**
Liabilities:				
Debt	**Ps.390,859,513**	**Ps.22,879,282**		**Ps.413,738,795**
Derivatives		**873,398**		**873,398**
Total	**Ps.390,859,513**	**Ps.23,752,680**		**Ps.414,612,193**

For the years ended December 31, 2010 and 2011, no transfers were made between Level 1 and Level 2 fair value measurement techniques.

15. Deferred Revenues

An analysis of deferred revenues at December 31, 2009, 2010 and 2011 is as follows:

		At December 31,	
	2009	2010	**2011**
At January 1	Ps. 21,648,610	Ps. 28,937,442	**Ps. 29,054,414**
Increase during the year	239,673,027	242,834,356	**305,334,487**
Recognized as revenues	(232,751,486)	(242,258,878)	**(306,309,173)**
Effect of translation	367,291	(458,506)	**1,344,747**
	Ps. 28,937,442	29,054,414	**Ps. 29,424,475**
Short-term	Ps. 23,475,052	Ps. 25,064,230	**Ps. 26,248,679**
Long-term	5,462,390	3,990,184	**3,175,796**
	Ps. 28,937,442	Ps. 29,054,414	**Ps. 29,424,475**

Deferred revenues consist of revenues obtained for services that will be provided to customers within a certain period. Deferred revenues are recognized in the statement of income when they are realized.

16. Debt

The Company's short- and long-term debt consists of the following:

		At December 31, 2011		
Currency	**Loan**	**Rate**	**Maturity from 2012 to**	**Total**
U.S. dollars				
	ECA credits (fixed rate)	**2.52%**	**2017**	**Ps. 1,636,312**
	ECA credits (floating rate)	**L + 0.3%, L + 0.35%, L + 0.50% y L + 0.75%**	**2018**	**6,780,181**
	Fixed-rate notes	**2.375% - 6.375%**	**2040**	**167,854,707**
	Lines of credit	**L + 0.25% L + 0.35% L + 0.325%**	**2014**	**14,015,863**
	Subtotal U.S. dollars			**190,287,063**
Euros				
	ECA credits (fixed rate)	**2.00%**	**2022**	**177,004**
	Fixed-rate notes	**3.75%,4.125% y 4.75%**	**2022**	**49,865,633**
	Subtotal Euros			**50,042,637**
Mexican pesos				
	Lines of credit	**TIIE + 0.60%**	**2012**	**55,000**
	Fixed-rate notes	**4.10%-10.20%**	**2037**	**41,680,565**
	Floating-rate notes	**Cetes + 0.55% & TIIE + -0.10%-1.50%**	**2016**	**32,600,000**
	Subtotal Mexican pesos			**74,335,565**
Reais				
	Lines of credit	**4.50%, 8.78% y 9.20%, IPCA + 0.5% & LTIR+4.5%**	**2021**	**2,707,482**
	Subtotal Brazilian reais			**2,707,482**
Colombian pesos	Bonds	**CPI + 6.8% & 7.59%**	**2016**	**4,464,945**
	Subtotal Colombian pesos			**4,464,945**
Other currencies	Bonds	**1.23% - 6.41%**	**2039**	**43,066,551**
	Leases	**2.75% - 8.97%**	**2027**	**527,535**
	Lines of credit	**L + 0.33%, BAR +0.40% y 0.425%, Tasa Badlar & 10.00% - 19.45%**	**2014**	**15,187,024**
	Subtotal other currencies			**58,781,110**
	Total debt			**380,618,802**
	Less: Short-term debt and current portion of long - term debt			**26,643,315**
	Long-term debt			**Ps.353,975,487**

Currency	Loan	Rate	Maturity from 2011 to	Total
		At December 31, 2010		
U.S. dollars				
	ECA credits (fixed rate)	2.52%	2017	Ps. 1,708,061
	ECA credits (floating rate)	L + 0.35%, L + 0.39%, L + 0.75% & L + 1.50%	2019	17,832,081
	Fixed-rate notes	3.625% - 6.375%	2040	114,308,303
	Lines of credit	L + 0.25% - 4.23% & 4.50%	2014	13,515,748
	Leases	7.00% - 7.50% & RLR + 1.06	2012	51,235
	Subtotal U.S. dollars			147,415,428
Euros				
	ECA credits (fixed rate)	2.00%	2022	185,912
	Fixed-rate notes	3.75% and 4.75%	2022	28,942,800
	Subtotal Euros			29,128,712
Mexican pesos				
	Lines of credit	TIIE + 0.60%	2011	46,000
	Fixed-rate notes	4.10% - 10.20%	2037	41,474,529
	Floating-rate notes	Cetes + 0.55% & TIIE + -0.10% - 1.50%	2016	37,100,000
	Subtotal Mexican pesos			78,620,529
Reais				
	Lines of credit	4.50%, 8.78% and 9.20% & LTIR + 4.5%	2020	2,960,139
	Subtotal Brazilian reais			2,960,139
Colombian pesos				
	Bonds	CPI + 6.8% & 7.59%	2016	4,002,864
	Subtotal Colombian pesos			4,002,864
Other currencies				
	Bonds	1.49% - 6.41%	2039	23,207,510
	Leases	2.75% - 8.97%	2027	913,536
	Lines of credit	L + 0.33%, BAR + 0.40% & 0.425%, Badlar rate & 4.76% - 19.45%	2014	16,851,438
	Subtotal other currencies			40,972,484
	Total debt			303,100,156
	Less: Short-term debt and current portion of long-term debt			9,039,204
	Long-term debt			Ps.294,060,952

Legend:
L = LIBOR or London Interbank Offered Rate
TIIE = Mexican weighted Interbank Interest Rate
CPI = Consumer price index
RLR = Reference Liability Rate
LTIR = Long-term Interest Rate
Cetes = Mexican Treasury Certificates
BAR =Bankers and Financial Institutions Association Rate
Baldar Rate = Interest rate paid in Argentina on fixed-term deposits of more than one million of Argentinean pesos
ECA = Export Credit Agreement
IPCA =consumer price index produced by Instituto Brasileiro de Geografia e Estatistica (IBGE)

Except for the fixed-rate senior notes, interest rates on the Company's debt are subject to variances in international and local rates. The Company's weighted-average cost of borrowed funds at December 31, 2011 and 2010 was approximately 5.0% and 5.2%, respectively.

Such rate does not include commissions or the reimbursements for Mexican tax withholdings (typically a tax rate of 4.9%) that the Company must make to international lenders. In general, fees on financing transactions add ten basis points to financing costs.

An analysis of the Company's short-term debt at December 31, 2010 and 2011 is as follows:

	2010	**2011**
Senior notes		**Ps. 648,424**
Domestic senior notes	Ps.4,500,000	**10,300,000**
Lines of credit used	600,416	**9,568,760**
Other	234,182	**200,710**
Total	Ps.5,334,598	**Ps.20,717,894**
Weighted-average interest rate	5.3%	**5.1%**

An analysis of maturities of the Company's long-term debt is as follows:

Year	**Amount**
2013	**Ps. 20,174,342**
2014	**35,187,810**
2015	**38,091,324**
2016	**44,859,326**
2017	**32,960,588**
2018 and thereafter	**182,702,097**
Total	**Ps.353,975,487**

Senior Notes—At December 31, 2011 and 2010, the Company has senior notes issued in U.S. dollars of US$ 11,998 million and US$ 9,250 million, respectively (Ps. 167,855 and Ps.114,308 million, respectively) maturing from 2014 to 2040. As of December 31, 2011 and 2010 the Company also had senior notes issued in Mexican pesos of Ps.74,281 million and Ps. 78,575, respectively, maturing in 2012 and 2037. In 2010, América Móvil issued eleven new senior notes as follows: Ps.4,600 million and Ps.7,000 million (in Mexican pesos); 743 million investment units (UDIs) (equivalent to Ps.3,301 Mexican pesos); US$ 750 million, US$ 2,000 million and US$ 1,250 million; 5 million UFs (Unidades de Fomento) (equivalent to 105,460 Chilean pesos); 230 million Swiss francs; 750 million and 1,000 million Euros; and 650 million pounds sterling.

In 2011 América Móvil issued seven new senior notes as follows: US$ 750 million and US$ 2,000 million; 270 million Swiss francs, ¥6,900 and ¥5,100 million of yen. 1,000 million Euros and 500 million pounds sterling.

Lines of credit granted or guaranteed by export credit agencies—The Company has medium- and long-term financing programs for the purchase of equipment, whereby certain institutions, to promote exports, provide financial support to purchase equipment for export from their respective countries. The outstanding balance under these plans at December 31, 2011 and 2010 is approximately Ps. 8,593 million and Ps.19,726 million, respectively.

Domestic notes

At December 31, 2010, debt under domestic notes aggregates to Ps.61,203 million. In general, these issuances bear a fixed or floating interest rate established as a percentage of the Mexican weighted interbank interest rate (TIIE). At December 31, 2011, debt under domestic notes aggregates to Ps. 56,909 million. In general, these issuances bear a fixed or floating interest rate established as a percentage of the Mexican weighted interbank interest rate (TIIE), Cetes and IDC.

In addition to the above, the Company has two commercial paper programs authorized by the Mexican Banking and Securities Commission (CNBV) for a total amount of Ps.20,000 million.

Early payment of debt

In 2011 and 2010, the Company made payments and advance payments against its debt with third parties of approximately Ps. 23 billion in both years.

General

In conformity with the credit agreements, the Company is obligated to comply with certain financial and operating commitments. Such covenants limit in certain cases, the ability of the Company or the guarantor to: pledge assets, carry out certain types of mergers, sell all or substantially all of its assets, and sell control over Telcel.

Such covenants do not restrict the ability of AMX's subsidiaries to pay dividends or other payment distributions to AMX. The more restrictive financial covenants require the Company to maintain a consolidated ratio of debt to EBITDA (earnings before interest, tax, depreciation and amortization) that do not exceed 4 to 1, and a consolidated ratio of EBITDA to interest paid that is not below 2.5 to 1 (in accordance with the clauses included in the credit agreements). In certain instruments Telcel is subject to similar ratios and covenants as AMX. Also, Telmex Internacional is subject to financial covenants of maintaining a ratio of debt to EBITDA that does not exceed 3.5 a 1, and a consolidated ratio of EBITDA to interest paid that is not below 3 to 1 (in accordance with the clauses included in the credit agreements).

Several of the financing instruments of the Company are subject to early extinguishment or re-purchase, at the option of the debt holder in the case that a change in control occurs.

Restrictions (TELMEX):

A portion of the debt is subject to certain restrictions with respect to maintaining certain financial ratios, as well as restrictions on selling a significant portion of groups of assets, among others. At December 31, 2011, the Company was in compliance with all these requirements.

A portion of the debt is also subject to early maturity or repurchase at the option of the holders in the event of a change in control of the Company, as so defined in each instrument. The definition of change in control varies from instrument to instrument; however, no change in control shall be considered to have occurred as long as Carso Global Telecom or its current shareholders continue to hold the majority of the Company's voting shares.

At December 31, 2011 and 2010, the Company complied with all the conditions established in our debt agreements.

At December 31, 2011, approximately 70% of América Móvil's total outstanding consolidated debt is guaranteed by Telcel.

Subsequent events

On February 1, 2012, AMX issued 3.5% Senior Notes due 2015 for an aggregate principal amount of CNY (Chinese Yuan) 1,000 million (Ps. 2,066 million or US$ 160 million, approximately).

17. Commitments and Contingencies

a) Leases

At December 31, 2010 and 2011, the Company has entered into several lease agreements with related parties and third parties for the buildings where its offices are located (as a lessee), as well as with the owners of premises where the Company has installed radio bases. The lease agreements generally have terms from one to fourteen years.

An analysis of the minimum rental payments for the next five years is shown below. In some cases, rental amounts are increased each year based on the National Consumer Price Index.

At December 31, 2011, the Company has the following non-cancelable commitments under finance and operating leases:

Year ended December 31	Finance leases	Operating leases
2012	Ps.309,106	Ps. 4,851,585
2013	105,359	3,855,366
2014	31,589	3,067,855
2015	31,589	2,521,949
2016	31,589	1,872,572
2017 and thereafter	124,426	3,807,011
Total	633,658	Ps.19,976,338
Less: interest	(106,123)	
Present value of net minimum lease payments	527,535	
Less current portion	285,513	
Long-term obligations	Ps.242,022	

Rent expense for the years ended December 31, 2009, 2010 and 2011 was Ps.10,788,990, Ps.8,318,926 and Ps.11,658,034, respectively.

b) Commitments

At December 31, 2011, there were commitments in certain subsidiaries for the acquisition of equipment for incorporation into their GSM and 3G networks for an amount up to approximately US$ 2,924 million (approximately Ps. 36,320 million). The estimated completion period for these projects in progress ranges from 3 to 6 months, depending on the type of project and the equipment supplier, as well as the type of asset.

c) Contingencies

América Móvil

Cempresa

In 2008, Centro Empresarial Cempresa S.A. and Conecel Holding Limited (collectively, the "Plaintiffs"), filed suit in the Supreme Court of the State of New York against several defendants, including the Company, alleging, among other things, breach of contract, fraud, fraudulent inducement and unjust enrichment in connection with the sale of their shares of Consorcio Ecuatoriano de Telecomunicaciones, S.A. ("Conecel"), one of the Company's subsidiaries. Plaintiffs contended in the lawsuit that the defendants wrongfully deprived them of a right to receive shares of the Company in exchange for their shares in Conecel and sought approximately $12,591 million (approximately US$900 million), the alleged value of the Company's shares they claimed they should have received. In June 2011, the highest court in New York – the Court of Appeals of New York – unanimously affirmed a judgment granting a motion to dismiss the complaint, and the case was then settled.

Telcel

COFECO—Monopolistic practices investigations

Telcel is the target of three COFECO probes into alleged monopolistic practices. The first two concern alleged actions by certain distributors of Telcel in relation to the purchase and sale of cellular phones from and to third parties. In these two probes, COFECO determined that Telcel engaged in anti-competitive behavior, and the agency imposed fines totaling $6.7 million and ordered that Telcel's cease the alleged monopolistic practices immediately. Telcel has challenged COFECO's findings and fines in the courts, but no final ruling in this regard has been issued. We have not established a provision in the accompanying financial statements for loss arising from these contingencies.

The third probe concerns alleged monopolistic practices in the mobile termination (interconnection) market. On April 15, 2011, COFECO notified Telcel of a ruling whereby it levied a fine of $11,989 million for alleged monopolistic practices that according to COFECO also constituted a repeat offense. COFECO alleges that some of the rates Telcel offers its own callers are lower than the mobile termination rate Telcel charges other carriers, which prevents said carriers from being able to provide similar pricing to their customers. Telcel, which disputes the conclusion that its pricing practices were monopolistic and the determination that there was a repeat offense, submitted a petition for reconsideration (*recurso de reconsideración*) to COFECO seeking review of COFECO's ruling. Under Mexican law, the submission of this petition automatically suspends the effectiveness of the April 2011 resolution. Accordingly, we expect that Telcel's petition for reconsideration will be decided by the remaining COFECO commissioners during the second quarter of 2012. If COFECO resolves to uphold its determination regarding the fine or any part of it, Telcel plans to seek an injunction (*amparo*) from a Mexican court against COFECO's resolution. During the pendency of such a judicial petition, the application of the resolution can be suspended upon Telcel providing the court with assurances of its ability to pay the fine in the event of an unfavorable outcome. The matter will be resolved by the courts. In addition, while there can be no assurance, we believe that payment of the fine arising from the COFECO's resolution is not probable.

Consequently, as of today we have not established a provision in the accompanying financial statements for loss arising from this contingency. It is, however, possible that we will be unsuccessful in our legal challenges to the fine, in which event our financial position would be negatively affected.

Mobile termination rates

Under the Calling Party Pays system, when a customer of one operator (mobile or fixed) places a local or long-distance call to a customer of another operator, the first operator pays the second a fee, which is referred to as a mobile termination rate.

Under Mexican law, mobile termination rates are negotiated between operators. However, since 2005 there has been extensive controversy in Mexico concerning mobile termination rates, and Telcel has not always been able to reach an agreement on the annual mobile termination rates with certain operators. These operators have asked COFETEL or the Mexican Ministry of Communications and Transportation ("SCT"), to set the applicable mobile termination rates. COFETEL and the SCT have issued resolutions setting lower mobile termination rates for these operators than those Telcel had agreed on with other operators. In addition, COFETEL and the SCT have issued resolutions regarding the calculation of total use of the network by these operators that are different from those Telcel had agreed on with other operators. We have challenged these resolutions in court, and our challenges are in different stages. Prior to 2011, our challenges to these resolutions could result in a suspension of the application of the mobile termination rates set by the resolutions. However, a 2011 decision of the Mexican Supreme Court of Justice (*Suprema Corte de Justicia de la Nación* or "SCJN"), eliminated these suspensions from that date on. Accordingly, all operators elect to pay Telcel the lower interconnection rates set by the resolutions, as we are required by law to offer such operators the lowest rates charged to other operators.

In January 2012, in a proceeding (*juicio de amparo*) initiated by Telcel against an SCT resolution relating to mobile termination rates, the SCJN ruled that COFETEL has exclusive authority over termination rates matters. Therefore, the SCT may not review resolutions issued by COFETEL, and resolutions issued by the SCT on such matters may be revoked. However, the SCJN's full ruling has not yet been notified to TELCEL, and therefore, we cannot estimate what its impact will be.

The Company expects that mobile termination rates will continue to be the subject of litigation and administrative proceedings. The Company cannot predict when or how these matters will be resolved. The competitive and financial effects of any resolution could be complex and difficult to predict, although they could materially reduce Telcel's mobile termination revenues in future periods. Also, depending on how the disputes are resolved, there could be contractual claims among Telcel and the operators it reached an agreement with for reimbursement or payment, as the case may be, of amounts paid or owed between Telcel and such operators for certain periods from 2005 to 2010. We have established provisions in the accompanying financial statements for the losses we consider probable and estimable, but we cannot estimate the amount of possible loss.

Short Message Services (SMS)

The Mexican Tax Administration Service ("SAT"), notified Telcel of tax assessments totaling $105.4 million alleging nonpayment of royalties for revenues generated by short message services during 2004. SAT is alleging that Telcel owes such amounts because short message services constitute concessioned services. We have challenged the assessments on the grounds that short message services are value-added services that are not concessioned services. In other proceedings, COFETEL has ruled that short text messages are subject to the interconnection regulatory regime and that such services do not constitute value-added services and are therefore concessioned services. Telcel is also currently disputing these rulings in an administrative proceeding. We have established a provision in the accompanying financial statements for the loss arising from these contingencies that we consider probable.

Trademarks Tax Assessments

In March 2006, the SAT notified Telcel of an assessment of $281.7 million ($155.8 million plus adjustments, fines and late fees), related to Telcel's deduction in 2003 of certain trademark royalty payments. The SAT took the position that the payments constituted an investment by Telcel and therefore the deduction should have been taken over the course of several years and not in a single year. In June 2007, the SAT notified the Company of an assessment of $541.5 million ($258.5 million plus adjustments, fines and late fees), related to the same payments described in the March 2006 assessment aforementioned. Under the tax consolidation regime applicable in Mexico at the time, Telcel was permitted to take up to 40% of the deduction, while the parent company was permitted to take the remaining 60%. This June 2007 assessment relates to the Company's portion of the deduction. We challenged each of the two assessments relating to 2003 in federal tax courts. The two challenges were combined because of the similarities in facts and legal issues presented. The tax court upheld the assessments. We then challenged the assessments in the courts of general jurisdiction, and our challenge is still pending.

In December 2007, the SAT notified Telcel of an assessment of $453.6 million ($243.6 million plus adjustments, fines and late fees), in connection with a deduction of certain advertising expenses in 2004. The SAT took the position that the payments of advertising expenses were not deductible because Telcel also paid royalties relating to the same trademarks. In July 2011, the SAT notified the Company of an assessment of $773.0 million ($292 million plus adjustments, fines and late fees), related to the same payments described in the December 2007 assessment above. Under the consolidation regime applicable in Mexico at the time, Telcel was permitted to take up to 40% of the deduction, while the parent company was permitted to take the remaining 60%. This July 2011 assessment relates to the Company's portion of the deduction. We challenged each of the two assessments relating to 2004 in federal tax courts, and such challenges are still pending.

Based on the above, the Company and Telcel expect the SAT to challenge deductions taken in other years related to the payment of royalties associated with the trademarks.

We have not established a provision in the accompanying financial statements for loss arising from these contingencies.

Carso Global Telecom

In November 2010, the SAT notified Carso Global Telecom, S.A. de C.V. ("CGT"), of an assessment of $3,392 million related to the change in the scope of fiscal consolidation in 2005. The SAT alleges that this change generated a reduction in the participation of CGT in its subsidiaries, resulting in increased income taxes. CGT has challenged this assessment in federal tax courts, and this challenge is still pending. We have not established a provision in the accompanying financial statements for loss arising from this contingency.

Sercotel

In August 2011, the SAT notified Sercotel, S.A. de C.V. ("Sercotel"), of an assessment of $6,308 million related to withholding taxes, interest payments and to taxes related to certain income that the SAT contends should have been accumulated at Sercotel in 2005. Sercotel paid $118 million related to withholding taxes and interest payments and challenged the portion of the assessment related to the accumulation in federal tax courts. The challenge is still pending.

In March 2012, the SAT notified Sercotel and the Company of a fine of approximately $1,400 million because of the SAT's objection to the allegedly improper tax implications of the transfer of certain accounts receivable from one of the Company's subsidiaries to Sercotel. We expect to challenge the fine in federal tax courts in the coming months. The Company also expects the SAT will issue tax assessments of $2,750 million relating to the same matter.

We have not established a provision in the accompanying financial statements for loss arising from these contingencies.

Telmex

COFECO—Monopolistic practices investigations

Since 2007, COFECO has initiated four investigations to evaluate if Telmex and Teléfonos del Noreste, S.A. de C.V. ("Telnor"), engaged in monopolistic practices in certain markets.

COFECO has determined that Telmex and Telnor engaged in monopolistic practices in the fixed-network interconnection services market. Telmex and Telnor have filed relief (*amparo*) proceedings against this ruling and their cases are pending resolution.

In addition, COFECO terminated two investigations into Telmex and Telnor's practices in the broadband internet for domestic residential customers and the interurban transport for switched long-distance traffic services markets after determining that there was no evidence that either Telmex or Telnor engaged in monopolistic practices.

Finally, there is an ongoing COFECO investigation with respect to the local and national long-distance dedicated links wholesale leasing services market. COFECO has yet to issue any final findings, but it has issued a notice of probable fault (O*ficio de Probable Responsabilidad*), to which Telmex has objected.

We cannot predict when or how these challenges or investigations will be resolved. The competitive and financial effects of any final findings by COFECO could be complex and difficult to predict. They may include monetary fines or additional regulations or restrictions that may limit our flexibility and our ability to adopt competitive market policies, any of which could materially reduce Telmex and Telnor's revenues in future periods.

We have not established a provision in the accompanying financial statements for loss arising from these contingencies.

Claro Brasil and Americel

Anatel Inflation-Related Adjustments

The Brazilian National Telecommunications Agency ("Anatel"), challenged the calculation of inflation-related adjustments due under the agreements it had with Tess, S.A. ("Tess"), and ATL-Telecom Leste, S.A. ("ATL"), two of our Brazilian subsidiaries that were merged with and into Claro Brasil, S.A. ("Claro Brasil"), which assumed their rights and obligations.

Under the agreements with Anatel, 40% of the concession price was due upon execution and 60% was due in three equal annual installments (subject to inflation-related adjustments and interest), beginning in 1999. The companies made all payments, but Anatel challenged the companies' calculation of the inflation-related adjustments related to the payment corresponding to 60% of the concession price, alleging that such calculation resulted in a shortfall of $4,064 million (approximately R$545 million), and requesting payment thereof. This amount was calculated using certain assumptions, including with respect to the method used to calculate monetary correction. In the event that different assumptions are used, the amount of damages could increase.

The companies filed declaratory and consignment actions seeking resolution of the disputes. The court of first instance ruled against ATL's declaratory suit in October 2001 and ATL's consignment action in September 2002. Subsequently, ATL filed appeals, which are still pending. Similarly, the court of first instance ruled against Tess' consignment action in June 2003 and against Tess' filing for declaratory action in February 2009. Tess also filed an appeal, which is still pending.

In December 2008, Anatel charged Tess approximately $1,991 million (approximately R$267 million). Tess obtained an injunction from the Federal Court of Appeals suspending payment until the pending appeal is resolved. Similarly, in March 2009, Anatel charged

ATL approximately $1,245 million (approximately R$167 million). ATL also obtained an injunction from the Federal Court of Appeals suspending payment until the pending appeal is resolved.

We have established a provision of $4,064 million (approximately R$545 million), in the accompanying financial statements for loss arising from these contingencies, which we consider probable.

BNDESPar

Prior to the acquisition of a controlling interest in Telet, S.A. ("Telet"), and Americel, S.A. ("Americel") by our subsidiary Telecom Americas Limited ("Telecom Americas"), BNDESPar, a subsidiary of BNDES, the Brazilian development bank, had entered into investment and other shareholder agreements with some of the significant shareholders of Telet and Americel. Under these agreements, BNDESPar had tag-along rights to participate in the sale of shares of Telet and Americel in the event of certain transfers of control of those companies for as long as BNDESPar held 5% of the shares of those companies.

In October 2003, following the acquisition of a controlling interest in Telet and Americel by Telecom Americas, Telecom Americas increased the capital stock of both Telet and Americel, resulting in a decrease of BNDESPar's ownership in each of those companies from approximately 20% to below 5% because BNDESPar elected not to exercise its preemptive rights.

In November 2004, BNDESPar filed a lawsuit with the competent court in Rio de Janeiro claiming that it is entitled to tag-along rights permitting it to sell its shares in Telet and Americel to Telecom Americas for approximately $2,036 million (approximately R$273 million). Although we do not believe that BNDESPar has valid grounds for its claim, we cannot provide assurances that Telecom Americas will ultimately prevail in this dispute.

We have not established a provision in the accompanying financial statements for loss arising from this contingency.

Lune Patent Case

A Brazilian company claims that wireless operators in Brazil have infringed on its patent over certain caller ID technology. The plaintiff first brought a patent infringement case in a state court in Brasilia, Federal Capital of Brazil, against the Company's subsidiary Americel and later brought cases, as part of two separate proceedings, against 45 other defendants. That court found for the plaintiff.

Americel filed three special appeals against the decision of the state court in Brasília seeking review by the Superior Court of Justice (the highest court in Brazil on questions of federal law), and Supreme Court (the highest court in Brazil on questions of constitutional law). Those appeals and other proceedings challenging various aspects of the patent infringement claims were pending as of March 2012, when the matter was resolved.

Consumer Protection Lawsuit (DPDC)

In July 2009, the Brazilian Federal and State Prosecutor Office, along with the Consumer Protection and Defense Agency and other Brazilian consumer protection agencies, initiated a lawsuit against Claro Brasil alleging that it has violated certain regulations governing provision of telecommunications services. The amount claimed by the plaintiffs is $2,237 million (approximately R$300 million). Claro Brasil is contesting the lawsuit and a final ruling is still pending.

We have not established a provision in the accompanying financial statements to cover loss arising from this contingency.

Tax assessments against Americel and Claro Brasil (PIS/COFINS)

In December 2005, the Brazilian Federal Revenue Service issued tax assessments against Americel in respect of withholding income taxes and PIS and COFINS taxes (which are levied on gross revenue), for 2000 through 2005. In addition, in March 2006, the Brazilian Federal Revenue Service issued tax assessments against ATL related to certain tax deductions taken by ATL in connection with its PIS and COFINS obligations. As discussed above, Claro Brasil is the corporate successor to ATL. In January 2011, the Brazilian Federal Revenue Service issued tax assessments against Claro Brasil regarding allegedly improper offsetting of certain tax deductions claimed by Claro Brasil in connection with its PIS and COFINS obligations. The total amount of these tax assessments, which Americel and Claro Brasil are contesting in pending challenges, was $10,673 million (approximately R$1,431 million), including fines and interest as of December 31, 2011. We have established a provision of $201 million (approximately R$27 million), in the accompanying financial statements for the loss arising from these contingencies that we consider probable.

Separately, Claro Brasil and Americel have commenced lawsuits against the Brazilian Federal Revenue Service seeking a ruling on constitutional grounds that they may exclude state value added tax (ICMS) payments and interconnection fees from the base used to calculate PIS and COFINS tax obligations. Pending a ruling in the case, pursuant to Brazilian procedure the companies have placed the disputed amount in a judicial deposit, and accordingly there is no loss contingency. The total amount in dispute was approximately $7,801 million (approximately R$1,046 million), as of December 31, 2011.

ICMS Tax Credits

The Brazilian Federal Revenue Service has issued multiple tax assessments against Claro Brasil and Americel alleging that they improperly claimed certain tax credits under the state value added tax (ICMS) regime in each Brazilian state. We are contesting all these tax assessments in multiple separate proceedings, first at the administrative level and then in the judicial courts, and these proceedings are at various stages. We have received rulings in some of these cases, including some that are unfavorable to us and that we have appealed. The total amount of the tax assessments is approximately $27,387 million (approximately R$3,672 million), including fines and interest as of December 31, 2011. We have established a provision of $2,364 million (approximately R$317 million), in the accompanying financial statements for the loss arising from these contingencies that we consider probable.

Tax Credit for Income Tax Withheld Abroad

The Brazilian Federal Revenue Service issued tax assessments in the amount of $2,588 million (approximately R$347 million), against Claro Brasil alleging that it incorrectly offset tax withheld in other countries against some of its Brazilian tax obligations. During 2011, Claro Brasil terminated its challenge with respect to $1,842 million (approximately R$247 million), in tax assessments and paid those amounts to the Brazilian Federal Revenue Service, to preserve the right to offset the foreign tax withheld related to such tax assessments against its Brazilian tax obligations in future years. The total amount of the tax assessments that Claro Brasil is contesting as of December 31, 2011 is approximately $746 million (approximately R$100 million). We have not made a provision in the accompanying financial statements to cover loss arising from this contingency.

EBC Funding

Claro Brasil and Americel filed an injunction challenging a federal law to create a Brazilian Communication Company that is to be partially funded by mobile operators. If Claro and Americel are unsuccessful in such challenge, the total amount they would be required to contribute through December 31, 2011 is approximately $1,596 million (approximately R$214 million). We made a judicial deposit in this amount. We have established a provision of $1,596 million (approximately R$214 million), in the accompanying financial statements for loss arising from this contingency, which we consider probable.

FUST and FUNTTEL Funding

The Brazilian Federal Revenue Service has issued tax assessments against Claro Brasil and Americel totaling $5,609 million (approximately R$752 million), relating to alleged underpayment of their funding obligations for the Telecommunications System Universalization Fund (FUST) and the Telecom Development Fund (FUNTTEL) from 2006 to 2009. The assessments claim that interconnection and activation fee revenues should not have been excluded from the basis used to calculate funding obligations. Claro Brasil and Americel have challenged the tax assessments, and the challenges are still pending. We have established a provision of $336 million (approximately R$45 million), in the accompanying financial statements for the loss arising from these contingencies that we consider probable.

Embratel

Implementation of the new national domestic telephone number system

As a result of alleged disruptions caused to telephones on the implementation date of a domestic dialing system in 1999, Embratel has contingencies in the total amount $1,186 million (approximately R$159 million), stemming from a fine by Anatel, a fine by the Consumer Protection and Defense Agency and class action lawsuits. We have established a provision of $201 million (approximately R$27 million), in the accompanying financial statements for the loss arising from these contingencies that we consider probable.

Administrative proceedings (PADOs)

Anatel filed several administrative proceedings *Procedimentos Administrativos de Descumprimento de Obrigação* ("PADOs"), against Embratel in the amount of $4,520 million (approximately R$606 million), because of alleged noncompliance with quality targets set by ANATEL. We are contesting the PADOs on various grounds. We have established a provision of $75 million (approximately R$10 million), in the accompanying financial statements for the loss arising from these contingencies that we consider probable.

Brazilian value-added goods and services tax (ICMS)

Embratel, Primesys and Telmex Do Brasil Ltda. received assessments in the amount of $4,699 million (approximately R$630 million), from the tax authorities related to nonpayment of ICMS and alleged ICMS tax credits incorrectly taken. We are contesting these tax assessments in multiple separate proceedings at the administrative level and in the judicial courts. These proceedings are in different stages, and we cannot predict the timing of a final outcome. We have established a provision of $112 million (approximately R$15 million), in the accompanying financial statements for the loss arising from these contingencies that we consider probable.

Star One has received tax assessments in the amount of $14,797 million (approximately R$1,984 million), alleging that the provision of satellite capacity is subject to ICMS tax. We are contesting these tax assessments in multiple separate proceedings, and we have obtained two appealable favorable judicial decisions in two proceedings in lower courts, although a resolution is still pending for the majority of the proceedings. We have not established a provision in the accompanying financial statements to cover loss arising from this contingency.

Brazilian Social Welfare Tax on Service Exports (PIS)

Embrapar, Embratel and Telmex do Brasil Ltda. have tax contingencies of $1,395 million (approximately R$187 million), related to the contributions of PIS prior to 1995, which the tax authorities allege were incorrectly offset. We are contesting these tax assessments in proceedings that are in different stages. We have established a provision of $52 million (approximately R$7 million), in the accompanying financial statements for the loss arising from these contingencies that we consider probable.

Brazilian Social Welfare Tax for Service Export Security Tax (COFINS)

Embrapar, Embratel and Telmex do Brasil Ltda. have tax contingencies of $1,864 million (approximately R$250 million), at December 31, 2011 related to the payment of COFINS in 1999. We are contesting these tax assessments in proceedings that are in different stages. We have established a provision of $589 million (approximately R$79 million), in the accompanying financial statements for the loss arising from these contingencies that we consider probable.

FUST and FUNTTEL Funding

The Brazilian Federal Revenue Service has issued tax assessments against Embratel, Star One, Primesys Soluções Empresariais S.A. and Telmex do Brasil Ltda. totaling $6,108 million (approximately R$819 million), relating to alleged underpayment of their funding obligations for the Telecommunications System Universalization Fund (FUST) and the Telecom Development Fund (FUNTTEL). The assessments claim that interconnection and others revenues should not have been excluded from the basis used to calculate funding obligations. The companies have challenged the tax assessments, and such challenges are pending. We have not established a provision in the accompanying financial statements to cover loss arising from these contingencies.

Brazilian Services Tax (ISS)

The Brazilian Federal Revenue Service has issued tax assessments against Embratel, Primesys Soluções Empresariais S.A., Brasil Center Ltda. and Telmex do Brasil Ltda. totaling $4,244 million (approximately R$569 million) alleging nonpayment of Brazilian services tax (ISS) in connection with the provision of certain services. The companies have challenged the tax assessments on the grounds that such services are not subject to ISS tax, and the challenges are pending. We have not established a provision in the accompanying financial statements to cover loss arising from these contingencies.

Other tax contingencies

Our Brazilian subsidiaries are engaged in a number of additional administrative and legal proceedings challenging tax assessments, as summarized below:

- Embrapar, Embratel, Star One, Telmex do Brasil Ltda., Brasil Center Comunicações Ltda. and Primesys Soluções Empresariais S.A. have received assessments in the amount of $5,750 million (approximately R$771 million), mainly related to allegedly incorrect deductions for purposes of Income Tax and Social Contribution on Net Income (IRPJ/CSLL). We are challenging those assessments in administrative and judicial proceedings. We have established a provision of $15 million (approximately R$2 million), in the accompanying financial statements for the loss arising from these contingencies that we consider probable.
- Embratel was fined $2,760 million (approximately R$370 million), by the Brazilian Federal Revenue Service for not making certain filings in the correct form from 2002 through 2005. We are contesting this fine on various grounds. We have not established a provision in the accompanying financial statements to cover loss arising from this contingency.
- Embratel, Star One, Telmex do Brasil Ltda and Primesys Soluções Empresariais S.A., have other on-going tax litigations in the amount of $3,756 million (approximately R$509 million), relating to the offsetting of IRPJ (Brazilian Income Tax), PIS (Brazilian Social Welfare Tax on Service Exports), COFINS (Brazilian Social Welfare Tax for Service Export Security Tax), CIDE (Brazilian Economic Intervention Contribution), CSLL (Brazilian Net Income Social Contribution) and IRRF (Brazilian Foreign Paid Income Tax) against allegedly improper IRPJ and ILL (Brazilian Net Income Tax)

credits. We have not established a provision in the accompanying financial statements to cover loss arising from these contingencies.

Disputes with third parties

Embratel, Telmex do Brasil Ltda. and Brasil Center are parties to a number of cases on a range of matters, including, among other things, disputes with former sales agents and disputes with former employees regarding health care payments. The cases, which are in advanced stages of the litigation process, are for claims in the amount of $1,827 million (approximately R$245 million). We have established a provision of $999 million (approximately R$134 million), in the accompanying financial statements for the loss arising from these contingencies that we consider probable.

Other civil and labor contingencies

Embratel and its subsidiaries are also party to other claims in the amount of $3,095 million (approximately R$415 million), including claims filed by its telephone service customers and claims relating to environmental matters. We are contesting the cases, which are in various stages. We have established a provision of $522 million (approximately R$70 million), in the accompanying financial statements for the loss arising from these contingencies that we consider probable.

In April 2009, Star One was notified of an arbitration proceeding initiated against it by two international telecom operators seeking restitution damages for up to $1,021 million (approximately US$73 million), for alleged commercial losses arising from contracts executed in 2002 and 2004. Star One disputes the claimants' arguments. The court proceedings are in the discovery stage. We have not established a provision in the accompanying financial statements to cover loss arising from this contingency.

Embratel and its subsidiaries are party to labor claims in the amount of $4,169 million (approximately R$559 million), filed by its current and former employees, alleging compensation for pension and other social benefits, overtime work, outsourcing and equal pay. We have established a provision of $746 million (approximately R$100 million), in the accompanying financial statements for the loss arising from these contingencies that we consider probable.

Conecel

Tax Assessments

During 2008, the Ecuadorian Revenue Services ("SRI") notified Conecel of tax assessments in the amount of $1,931 million (approximately US$138 million) (not including interest and penalties), relating to special consumption (ICE), value-added, income and withholding taxes for the years 2003 to 2006. In March 2008, Conecel paid the SRI $196 million (approximately US$14 million), in respect of the aforesaid tax assessments (including with respect to fines) and filed challenges with the SRI with respect to $1,777 million (approximately US$127 million). In December 2008, the SRI notified Conecel of a resolution that denied the challenges filed by Conecel against the tax assessments. As a result of the foregoing, in January 2009, Conecel filed a lawsuit before a Tax Court in Guayaquil challenging the tax assessments while attaching a bank guarantee of $182 million (approximately US$13 million), which represented 10% of the contested amount. In May 2009, the SRI filed its answer to Conecel's complaint. Immediately thereafter, the Tax Court opened the evidentiary stage of the proceedings and summoned the parties to several document exhibition hearings, which took place in Conecel and the SRI and were attended by accounting experts accepted by both the defendant and the plaintiff. These experts are responsible for issuing reports on the document exhibition hearings. The latest expert opinion was filed before the Tax Court in January 2010. The evidentiary phase has been concluded. The final hearing took place in June 2010. The Tax Court issued its final resolution in March 2012. The Tax Court's resolution was favorable with respect to $336 million (US$24 million), of the disputed amount. We have appealed the unfavorable portion of the resolution before the National Court of Justice (*Corte Nacional de Justicia*), and such appeal is still pending.

In addition, in 2011 and 2012 the SRI notified Conecel of tax assessments in the amount of $951 million (approximately US$68 million), relating to the same matter discussed above, but for the 2007 and 2008 fiscal years. Conecel filed lawsuits before a Tax Court in Guayaquil challenging the tax assessments and such lawsuits are still pending.

We have not established a provision in the accompanying financial statements to cover loss arising from these contingencies.

18. Related Parties

a) The following is an analysis of the balances with related parties at December 31, 2010 and 2011. All of the companies are considered as associates or affiliates of América Móvil since the Company or the Company's principal shareholders are also direct or indirect shareholders in the related parties.

	2010	**2011**
Accounts receivable:		
Sanborn Hermanos, S.A.	Ps. 84,457	**Ps. 241,448**
Sears Roebuck de México, S.A. de C.V.	25,296	**179,612**
Net Serviços de Comunicação, S.A. (NET)	2,475,664	**2,826,214**
Grupo Carso, S.A.B. de C.V.	316,815	**—**
AT&T Corp. (AT&T)	102,851	**55,443**
Patrimonial Inbursa, S.A.	—	**52,864**
Alestra, S. de R.L. de C.V.	490,773	**—**
Banco Inbursa, S.A.	1,315	**—**
Other	73,865	**58,318**
Total	Ps.3,571,036	**Ps.3,413,899**
Accounts payable:		
Fianzas Guardiana Inbursa, S.A. de C.V.	Ps. 94,800	Ps. 120,273
Seguros Inbursa, S.A. de C.V.	111,105	12,595
Net Serviços de Comunicação, S.A. (NET)	460,021	616,929
Grupo Carso, S.A.B. de C.V.	346,566	—
Operadora Cicsa, S.A. de C.V.	134,040	161,936
Inversora Bursatil, S.A.	131,813	—
PC Industrial, S.A. de C.V.	98,735	168,890
Microm, S.A. de C.V.	52,008	45,970
Grupo Financiero Inbursa, S.A.B. de C.V.	59,723	45,729
Conductores Mexicanos Eléctricos y de Telecomunicaciones, S.A. de C.V.	42,812	18,898
Acer Computec México, S.A. de C.V.	34,739	4,575
Sinergia Soluciones Integrales de Energia, S.A. de C.V.	13,121	40,560
Carso Infraestructura y Construcción, S.A.B. de C.V.	293	—
Eidon Software, S.A. de C.V.	106,186	64,079
AT&T	3,485	7,495
Other	221,847	322,337
Total	Ps.1,911,295	Ps.1,630,265

b) For the years ended December 31, 2010 and 2011, the Company conducted the following transactions with related parties:

	2009	2010	**2011**
Investments and expenses:			
Construction services, purchases of materials, inventories and fixed assets[1]	Ps.3,243,849	Ps.3,411,260	**Ps. 5,391,385**
Insurance premiums, fees paid for administrative and operating services, brokerage services and others[2]	2,250,368	2,215,599	**2,354,859**
Call termination costs	247,567	187,971	**182,411**
Interconnection expenses[3]	2,571,296	3,612,950	**3,919,841**
Other services	63,231	40,052	**371,807**
	Ps.8,376,311	Ps.9,467,832	**Ps.12,220,303**
Revenues:			
Sale of long-distance services and other telecommunications services[4]	Ps.3,605,684	Ps.4,847,286	**Ps. 5,266,597**
Sale of materials and other services	661,042	560,342	**523,795**
Call termination revenues[5]	1,030,159	666,013	**512,897**
	Ps.5,296,885	Ps.6,073,641	**Ps. 6,303,289**

1) In 2011, this amount includes Ps.5,171,398 (Ps.2,720,123 in 2010) for network construction services and construction materials purchased from subsidiaries of Grupo Carso, S.A.B. de C.V. (Grupo Carso), which is an entity under common control with América Móvil. It also includes Ps. 97,204 in 2011 (Ps.97,204 in 2010) for the purchase from 2Wire of equipment for the broadband service platform.
2) In 2011, this amount includes Ps.708,088 (Ps.343,810 in 2010) for network maintenance services performed by Grupo Carso subsidiaries; Ps. 584,254 (Ps.632,059 in 2010) for software services provided by an associate; Ps.605,373 (Ps.518,680 in 2010) for insurance premiums with Seguros Inbursa, S.A. (Seguros), which, in turn, places most of such insurance with reinsurers; and Ps.160,080 (Ps.159,083 in 2010) of fees for management and operating services due to AT&T Mexico, Inc. and Inversora, which is a corporation under common control with América Móvil.
3) Includes interconnection expenses for calls from fixed telephones to mobile phones paid to NET subsidiaries.
4) Revenues from billing long distance and other telecommunications services in 2011 include Ps. 4,641,231 (Ps.3,402,843 in 2010) from NET and Ps.135,302 (Ps.229,941 in 2010) from AT&T subsidiaries.
5) Includes costs and revenues with AT&T, Inc. companies.

c) In December 2009, Embratel signed an agreement for the sale of capacity for Ps.6,372 million (US$ 487.9 million) through which it grants NET rights of use over its network. In addition, Embratel also executed an agreement to obtain the rights of use of transmission capacity over the NET coaxial network for which it paid Ps.6,551 million (US$ 501.7 million). Both agreements establish irrevocable rights of use (IRU) for 5 years with an option for renewal for another 5 years.

d) During 2011, the Company paid Ps.726,524 (Ps.755,127 in 2010) for short-term direct benefits to its executives.

19. Shareholders' Equity

Shares

a) At December 31, 2010 and 2011, the Company's capital stock is represented by 80,346,000,000 shares (23,424,632,660 Series AA shares, 785,607,280 Series A shares and 56,135,760,060 registered Series L shares with no par value and limited voting rights ("Series L")) and 76,992,000,000 shares (23,424,632,660 Series AA shares, 756,967,714 Series A shares and 52,810,399,626 Series L shares), respectively. Capital stock includes (i) the retroactive effect of the stock split in June 2011; (ii) the effect of the merger with AMTEL in 2006; (iii) the re-subscription of 8,438,193,725 Series L treasury shares resulting from the public tender offers and share exchange for Carso Global Telecom, S.A.B. de C.V. and Telmex Internacional, S.A.B. de C.V., which were completed on June 16, 2010; and (iv) the conversions of Series A shares into Series L shares, made by third parties through S.D. Indeval Institución para el Depósito de Valores, S.A. de C.V. These shares represent the outstanding capital stock of the Company as of December 31, 2011.

b) The capital stock of the Company consists of a minimum fixed portion of Ps. 397,873 (nominal amount), represented by a total of 95,489,724,196 shares (including treasury shares available for re-subscription in accordance with the provisions of the Mexican Securities Law), of which (i) 23,424,632,660 are common Series AA shares; (ii) 776,818,130 are common Series A shares; and (iii) 71,288,273,406 are Series L shares. All such shares have been fully subscribed and paid.

c) At December 31, 2010 and 2011, the Company's treasury shares included shares for re-subscription, in accordance with the provisions of the Mexican Securities Law, in the amount of 15,143,724,196 shares (15,142,656,796 Series L shares and 1,067,400 Series A shares), and 18,497,724,196 shares (18,495,699,196 Series L shares and 2,025,000 Series A shares), respectively. The Company's treasury shares include (i) the conversions of Series A shares into Series L shares performed by the Company through S.D. Indeval Institución para el Depósito de Valores, S.A. de C.V. in 2010; and (ii) the re-subscription of 8,438,193,725 Series L shares in the Company's treasury as a result of the public tender offers and share exchange for Carso Global Telecom, S.A.B. de C.V. and Telmex Internacional, S.A.B. de C.V., which was completed on June 16, 2010).

d) The holders of Series AA and Series A shares are entitled to full voting rights. The holders of Series L shares may only vote in certain circumstances, and they are only entitled to appoint two members of the Board of Directors and their respective alternates. The matters in which the shareholders who are entitled to vote are the following: extension of the term of the Company, early dissolution of the Company, change of corporate purpose of the Company, change of nationality of the Company, transformation of the Company, a merger with another company, as well as the cancellation of the registration of the shares issued by the Company in the National Securities Registry and any other foreign stock exchanges where they may be registered, except for quotation systems or other markets not organized as stock exchanges. Within their respective series, all shares confer the same rights to their holders.

The Company's bylaws contain restrictions and limitations related to the subscription and acquisition of Series AA shares by non-Mexican investors.

e) In accordance with the bylaws of the Company, each share of the Series AA or Series A may be exchanged at the option of the holders for one share of Series L. Series AA shares must at all times represent no less than 20% and no more than 51% of the Company's capital stock, and they also must represent at all times no less than 51% of the common shares (entitled to full voting rights, represented by Series AA and Series A shares) representing capital stock.

Series AA shares may only be subscribed to or acquired by Mexican investors, Mexican corporations and/or trusts expressly empowered for such purposes in accordance with the applicable legislation in force. Common Series A shares, which may be freely subscribed, may not represent more than 19.6% of capital stock and may not exceed 49% of the common shares representing such capital. Common shares (entitled to full voting rights, represented by Series AA and Series A shares) may represent no more than 51% of the Company's capital stock.

Lastly, the combined number of Series L shares, which have limited voting rights and may be freely subscribed, and Series A shares may not exceed 80% of the Company's capital stock. For purposes of determining these restrictions, the percentages mentioned above refer only to the number of Company shares outstanding.

Dividends

f) On April 20, 2009, the Company's shareholders approved payment of a cash dividend of $0.30 pesos per share for each Series AA, A and L shares, for a total dividend of Ps. 9,812,319, to be paid in full on July 24, 2009 against coupon No. 25 of the titles that represent the Company's capital stock.

On December 1, 2009, the Company's shareholders approved payment of a cash dividend of $0.50 pesos per share of each Series AA, A and L shares, for a total dividend of Ps. 16,166,730, to be paid in full on December 10, 2009 against coupon No. 26 of the titles that represent the Company's capital stock.

g) On April 7, 2010, the Company's shareholders approved payment of a cash dividend of $0.32 pesos per share of each Series AA, A and L shares, for a total dividend of Ps. 12,948,813, to be paid in two installments of Ps. 0.16 pesos per share on July 23, 2010 and November 19, 2010 against coupons No. 27 and 28, respectively, of the titles that represent the Company's capital stock.

The aforementioned dividends were paid from the Net taxed profits account (CUFIN).

h) On April 27, 2011, on the Company's annual shareholders' meeting, the following was approved:

(i) execute a shareholding restructuring by means of a two-to-one stock split to be effective at a future date to be determined by management;

(ii) pay a cash dividend from the balance of the consolidated Net taxed profits account (CUFIN) in the amount of $0.36 pesos, payable in two installments, for each of the Series "AA", "A" and "L" shares representing capital stock (including the preferred dividend corresponding to Series "L" shares), which was subsequently adjusted based on the resolutions adopted regarding the two for one stock split that was effective in June 2011, and

(iii) increase the amount of funds available for the acquisition of the Company's own shares by Ps. 50 billion in the terms set forth in Article 56 of the Securities Trading Act.

The aforementioned dividends were paid from the Net taxed profits account (CUFIN).

i) In accordance with Article 20 of the Mexican Corporations Act, at least 5% of the net profit of each year must be appropriated to increase the legal reserve. This practice must be continued each year until the legal reserve reaches at least 20% of the value of capital stock.

j) Earnings per share

The following table shows the calculation of the basic and diluted earnings per share for the years ended December 31, 2010 and 2011:

	2009	2010	**2011**
Net profit for the period attributable to equity holders of the parent	Ps. 92,697,553	Ps. 91,123,052	**Ps. 82,853,529**
Weighted average number of common shares outstanding (in millions)	77,930	79,020	**78,599**
Basic and diluted earnings per share attributable to equity holders of the parent	Ps. 1.19	Ps. 1.15	**Ps. 1.05**

Subsequent event

On February 14, 2012 AMX, the Board of Directors of AMX decided to submit to the Ordinary General Shareholders' Meeting to be held on or before April 30, 2012, a proposal to make a payment of a cash dividend from the consolidated net profit tax account (cuenta de utilidad fiscal neta consolidada), of Ps. 0.20 (twenty peso cents), payable in two installments, to each of the shares of its capital stock series AA, A and L outstanding as of the date of the dividend payment (which includes the preferred dividend correspondent to the series "L" shares), subject to adjustments arising from other corporate events (including repurchase or placement of its own shares), that may vary the number of shares outstanding as of the date of such dividend payment.

20. Income Tax, Asset Tax and Flat-Rate Business Tax

I) Mexico

a) Starting January 2002, the Ministry of Finance and Public Credit authorized América Móvil to consolidate its tax results with its Mexican subsidiaries. In July 2010, the Company obtained authorization from the Ministry of Finance and Public Credit to incorporate to its consolidation regime the tax results of CGT and subsidiaries, Telmex and its Mexican subsidiaries, and Telint and its Mexican subsidiaries.

Tax consolidation regime in Mexico is a tax mechanism through which taxpayers file a single tax return for all Mexican subsidiaries and the holding company (in this case, América Móvil as a controlled entity) as if they were a single entity.

b) Flat-rate business tax (FRBT)

The FRBT is computed by applying the 17.5% rate in 2011 and 2010 to income determined on the basis of cash flows, net of authorized credits.

FRBT is payable only to the extent it exceeds income tax for the same period. To determine FRBT payable, income tax paid in a given period is first subtracted from the FRBT of the same period. In 2009, 2010 and 2011 América Móvil paid income tax, thus FRBT was not applicable.

c) Corporate tax rate

The income tax rate applicable in Mexico for 2010 and 2011 was 30%. In the case of 2009, the income tax rate was 28%.

d) An analysis of income tax charged to results of operations for the years ended December 31, 2009, 2010 and 2011 is as follows:

	2009	2010	**2011**
In Mexico:			
Current year income tax	Ps. 27,221,594	Ps. 35,358,801	**Ps. 31,933,880**
Deferred income tax	806,315	(6,609,769)	**(5,004,378)**
Effect of changes in tax rate	(279,837)	62,050	**(99,763)**
Foreign:			
Current year income tax	13,867,808	12,966,253	**18,940,637**
Deferred income tax	(5,316,713)	(5,563,716)	**(5,349,714)**
	Ps. 36,299,167	Ps. 36,213,619	**Ps. 40,420,662**

e) A reconciliation of the corporate income tax rate to the effective income tax rate recognized by the Company is as follows:

	Year ended December 31,		
	2009	2010	**2011**
Statutory income tax rate in Mexico	28.0%	30.0%	**30.0%**
Impact of non-deductible and non-taxable items:			
Tax inflation effect	1.0%	1.6%	**2.1%**
Operations of foreign subsidiaries	(0.7)%	(0.4)%	**(1.0%)**
Other	1.6%	0.4%	**(0.1%)**
Effective tax rate on Mexican operations	29.8%	31.6%	**31.0%**
Change in estimated realization of deferred tax assets in Brazil	(3.5)%	(4.4)%	**(1.5%)**
Use of tax credits in Brazil	(1.3)%	(1.3)%	**(0.4%)**
Revenues and costs of subsidiaries' operations	0.3%	0.9%	**2.3%**
Effective tax rate	25.3%	26.8%	**31.4%**

f) An analysis of temporary differences giving rise to the net deferred tax liability is as follows:

	At December 31, 2010	At December 31, 2011
Deferred tax assets		
Accrued liabilities	Ps. 4,361,987	**Ps. 6,194,778**
Other	2,281,061	**1,384,621**
Deferred revenues	2,360,447	**9,080,070**
Tax losses	4,059,234	**4,335,011**
	13,062,729	**20,994,480**
Deferred tax liabilities:		
Fixed assets	(18,865,653)	**(18,766,098)**
Inventories	(352,768)	**(348,507)**
Licenses	(393,135)	**(308,025)**
Deferred effects of tax consolidation in Mexican subsidiaries	(7,097,406)	**(7,204,850)**
Royalty advances	(2,530,000)	**(3,185,298)**
Pensions	(4,809,996)	**(6,251,882)**
Other	(1,230,793)	**(1,831,936)**
	(35,279,751)	**(37,896,596)**
Plus:		
Effect of changes in tax rate	217,787	**150,400**
Total deferred taxes	Ps.(21,999,235)	**Ps.(16,751,716)**

An analysis of the effects of temporary differences within the deferred tax that was (charged) or credited to results of operations is as follows:

	At December 31, 2009	At December 31, 2010	At December 31, 2011
Deferred tax assets:			
Accrued liabilities	Ps. 1,035,287	Ps. 537,956	**Ps. 1,832,791**
Other	(1,551,655)	476,193	**(896,440)**
Deferred revenues	(351,897)	(254,589)	**6,719,623**
Tax losses	(404,168)	84,467	**275,777**
	(1,272,433)	844,027	**7,931,751**
Deferred tax liabilities:			
Fixed assets	1,417,557	1,310,841	**99,556**
Inventories	18,164	195,373	**4,261**
Licenses	(50,931)	(324,939)	**85,110**
Forward contracts with affiliated companies	358,165	3,531,564	
Royalty advances	(1,400,000)	500,000	**(655,298)**
Pensions	(262,143)	(243,841)	**(1,441,886)**
Other	(308,068)	8,342	**(601,143)**
	(227,256)	4,977,340	**(2,509,400)**
Plus:			
Effect of changes in tax rate	279,837	(62,050)	**(67,387)**
Income tax from tax consolidation	591,514	(716,626)	**(107,445)**
Total deferred taxes	Ps.(628,338)	Ps. 5,042,691	**Ps. 5,247,519**

The effects of temporary differences giving rise to the deferred tax asset at December 31, 2010 and 2011 is as follows:

	At December 31, 2010	**2011**
Deferred tax assets:		
Accrued liabilities	Ps. 12,364,989	**Ps. 13,541,048**
Deferred revenues	486,489	**789,875**
Other	4,225,453	**4,478,188**
Tax losses	12,848,341	**14,567,430**
	29,925,272	**33,376,541**
Deferred tax liabilities:		
Fixed assets	192,520	**(74,126)**
Licenses	(493,747)	**(389,087)**
Other	(34,203)	**161,130**
	(335,430)	**(302,083)**
Total deferred taxes	Ps. 29,589,842	**Ps. 33,074,458**

At December 31, 2009, 2010 and 2011, the above table includes the deferred tax assets of TracFone, Puerto Rico, Argentina, Colombia, Honduras, Guatemala and Brazil.

An analysis of the effects of temporary differences within the deferred tax that was (charged) or credited to results of operations is as follows:

	2009	At December 31, 2010	**2011**
Deferred tax assets:			
Accrued liabilities	Ps. 4,167,196	Ps. 1,798,968	**Ps. 1,176,059**
Deferred revenues	(85,012)	317,443	**303,386**
Other	1,007,082	343,207	**252,735**
Tax losses	897,649	6,580,325	**1,719,089**
	5,986,915	9,039,943	**3,451,269**
Deferred tax liabilities:			
Fixed assets	(1,108,032)	(1,565,298)	**(266,646)**
Licenses	355,145	(132,038)	**104,660**
Other	184,545	(61,197)	**195,333**
	(568,342)	(1,758,533)	**33,347**
Total deferred taxes	Ps. 5,418,573	Ps. 7,281,410	**Ps. 3,484,616**

Deferred tax assets are recognized for tax losses carryforwards to the extent that the realization of the related tax benefit through future taxable profits is probable, as well as for other temporary items. The benefit in income taxes expense for the years ended December 31, 2009 and 2010, attributable to the change in estimate over the recoverability of the tax loss carryforwards, was Ps. 6,419,448 and Ps. 9,038,423, respectively, and is shown as a credit in deferred income tax.

g) Changes in the Mexican tax environment effective in 2010

On December 7, 2009, a tax reform was approved that includes an increase in the corporate income tax rate from 28% to 30% from 2010 until 2012, which will then decrease to 29% for 2013 and 28% for 2014 and thereafter.

The effect of the change in income tax rate in 2009 was a decrease of Ps.279,837 in the net deferred tax liability for rate scaling, since the reversal of certain differences between the book and tax values of assets and liabilities was calculated at the statutory rate of 30%.

Tax consolidation

Beginning in 2010, as consequence of the tax consolidation regime, the Mexican tax authorities established a methodology named "partial tax -consolidation" or "recapture" in order to identify all concepts that generated a deferral in the tax payment. This recapture effect is applied for the principal concepts that generated an income tax deferral in the sixth year prior to this change in the tax law. Those concepts are as follows:

i) Tax losses of the holding company or the controlled companies on stand-alone basis

ii) Loss on the sale of shares issued by the controlled companies

iii) Book dividends paid from sources other than the CUFIN

iv) Difference between consolidated and stand-alone basis CUFIN balances of the controlled companies and their holding.

For the recapture effects (mentioned above), if any, the payment of the income tax previously deferred should be as follows:

Year	Portion to be remitted
2012	25%
2013	20%
2014	15%
2015	15%

In the case of the Company, the recapture effect derived from the tax consolidation is mainly represented by tax losses utilized in the tax consolidation that have not being used on a stand-alone basis by the controlling company or the holding companies.

h) At December 31, 2010 and 2011, the balance of the contributed capital account (CUCA) is Ps. 325,684,036 and Ps. 363,240,830, respectively, and the CUFIN balance is Ps.181,169,045 and Ps.318,080,830, respectively. Both balances include the effects of the public tender offers.

II) Foreign Subsidiaries

a) Results of operations

The foreign subsidiaries determine their taxes on profits based on their individual taxable income, in accordance with the specific tax regimes of each country. The combined income before taxes and the combined provision for taxes of such subsidiaries in 2009, 2010 and 2011 are as follows:

	2009	2010	**2011**
Combined income before taxes	Ps. 60,109,525	Ps. 44,996,818	**Ps. 42,011,515**
Combined tax provision	8,551,095	7,402,537	**13,590,923**

b) Tax losses

At December 31, 2011, the available tax loss carryforwards of the subsidiaries of América Móvil are as follows:

Country	Balance of available tax loss carryforwards at December31, 2011	Tax benefits
Chile	**Ps. 4,286,765**	**Ps. 728,750**
Brazil	**38,867,206**	**13,214,850**
Mexico	**14,483,215**	**4,344,966**
Puerto Rico	**885,792**	**310,027**
Argentina	**122,370**	**42,829**
Colombia	**790,968**	**261,019**
Total	**Ps. 59,436,316**	**Ps. 18,902,441**

The tax loss carryforwards in the different countries in which the Company operates have the following terms and characteristics:

i) In Brazil there is no expiration of the tax loss carryforwards; However, the carryforward amount in each year may not exceed 30% of the taxable income for such year. Consequently, in the year in which taxable income is generated, the effective tax rate is 25% rather than the 34% corporate tax rate.

ii) In Chile, tax loss carryforwards have no expiration date and the corporate tax rate in that country is 17%. Consequently, at the time tax losses are realized, taxpayers obtain a benefit of only 17% of the amount of the loss generated.

21. Segments

América Móvil operates in different countries. As mentioned in Note 1, the Company has operations in Mexico, Guatemala, Nicaragua, Ecuador, El Salvador, Brazil, Argentina, Colombia, United States, Honduras, Chile, Peru, Paraguay, Uruguay, Dominican Republic, Puerto Rico, Jamaica and Panama. The accounting policies for the segments are the same as those described in Note 2.

The Company management analyzes the financial and operating information by geographical segment, except for Mexico, which shows América Móvil and Telmex as two segments. All significant operating segments that represent more than 10% of consolidated revenues, more than 10% of net profits and more than 10% of consolidated assets, are presented separately.

	Mexico (1)	Telmex	Brazil	Southern Cone(2)	Colombia	Andean (3)	Central America(4)	U.S.A. (5)
At December 31, 2009								
Operating revenues	Ps. 146,094,630	Ps. 118,348,207	Ps. 140,676,456	Ps. 39,821,928	Ps. 42,359,959	Ps. 26,843,708	Ps. 18,052,734	Ps. 22,654,796
Depreciation and amortization	8,138,967	17,926,053	26,749,243	4,776,322	7,549,230	3,326,147	6,115,200	385,211
Operating income	72,995,015	32,505,121	15,488,637	4,916,914	11,540,602	6,415,691	623,786	797,039
Interest income	3,432,415	711,244	1,622,564	342,606	467,263	338,296	235,672	81,617
Interest expense	9,254,055	4,240,662	2,738,714	437,759	628,508	629,581	456,926	
Income tax	19,084,660	8,342,892	(1,113,559)	2,096,211	3,741,424	2,189,629	1,102,774	694,044
Equity interest in net income of associated companies	208,884	254,680	1,859,184	17,032				
Net profit attributable to parent	40,948,647	19,338,843	20,232,205	13,203,088	4,735,516	3,806,614	(1,748,859)	150,221
Assets by segment	1,051,118,951	176,762,891	254,291,525	56,436,529	68,351,801	45,074,524	42,782,391	9,816,822
Plant, property and equipment, net	43,555,516	104,304,749	121,066,926	33,992,964	36,286,523	18,879,659	29,481,225	673,774
Goodwill, net	9,342,885		3,392,000	2,741,017	12,204,428	4,353,875	4,609,315	781,201
Trademarks, net	45,012		2,307,555	542,987	1,320,057	5,480	639,555	
Licenses and rights, net	2,570,095	739,352	32,959,324	1,746,682	4,123,071	5,087,610	1,653,955	
Investment in associates	15,918,077	1,744,574	11,787,171	46,449	9,842		65,458	
Liabilities by segments	222,647,485	135,572,026	99,893,459	22,736,672	20,695,796	20,510,969	20,785,208	8,934,838
At December 31, 2010								
Operating revenues	157,555,171	114,080,323	154,308,757	43,465,809	48,665,594	29,483,786	17,407,795	35,561,762
Depreciation and amortization	10,261,103	17,500,370	33,525,620	5,537,205	9,340,301	3,545,006	6,243,527	343,792
Operating income	76,090,032	27,991,616	13,843,292	7,530,880	13,486,785	9,076,550	(194,044)	1,617,152
Interest income	4,275,008	583,762	2,615,814	760,644	531,526	408,603	160,038	82,490
Interest expense	13,847,898	3,443,522	3,135,696	457,751	413,663	610,604	353,040	
Income tax	19,943,409	8,325,091	(3,286,036)	3,252,464	3,313,865	2,838,429	1,199,418	373,696
Equity interest in net income of associated companies	52,485	195,910	1,428,826	19,435				
Net profit attributable to parent	44,664,283	15,121,138	14,264,111	6,443,241	7,328,991	5,944,117	(1,786,666)	1,277,269
Assets by segment	1,160,716,719	155,800,277	253,677,418	78,749,869	83,930,378	65,392,559	45,658,743	12,560,676
Plant, property and equipment, net	40,881,732	99,893,002	123,921,091	35,790,891	33,826,866	18,636,393	28,788,969	718,744
Goodwill, net	9,747,092	103,289	3,354,681	2,729,994	13,892,928	3,947,450	4,590,890	781,201
Trademarks, net	26,549		1,913,567	416,023	1,087,300	3,975	499,950	
Licenses and rights, net	6,106,148	221,010	25,374,188	1,514,653	4,018,557	4,497,609	1,174,314	
Investment in associates	48,274,722	1,392,042	44,945,736	65,727	13,130		59,874	
Liabilities by segments	305,985,289	108,524,741	117,672,501	32,128,844	28,872,300	23,186,120	22,172,746	11,643,324
At December 31, 2011								
Operating revenues	161,615,897	111,924,098	170,618,974	50,219,099	58,705,069	33,920,924	18,959,244	47,419,414
Depreciation and amortization	10,290,504	16,936,389	36,299,859	6,504,008	8,273,765	3,986,524	6,205,962	374,877
Operating income	76,004,224	26,582,083	9,450,925	8,607,931	19,450,851	11,200,534	(57,464)	816,558
Interest income	8,964,516	385,768	3,745,607	2,188,569	147,966	468,968	87,938	99,154
Interest expense	15,543,449	2,967,729	8,871,412	1,195,200	595,188	419,178	233,345	
Income tax	19,064,289	7,333,206	(1,587,570)	3,758,431	6,819,446	3,381,785	1,198,810	332,988
Equity interest in net income of associated companies	30,542	115,070	1,856,401					
Net profit attributable to parent	41,407,389	14,581,672	4,297,400	4,100,544	7,787,189	8,316,861	(911,512)	585,807
Assets by segment	756,526,531	161,943,149	299,733,013	106,287,173	97,225,819	65,993,608	56,856,694	16,090,706
Plant, property and equipment, net	42,244,711	98,877,234	137,394,139	49,980,417	42,260,513	24,462,608	38,854,216	813,907
Goodwill, net	13,401,456	103,289	691,096	2,599,802	14,882,545	4,120,226	4,808,699	781,201
Trademarks, net	12,347		1,355,486	373,544	466,597	1,942	288,214	
Licenses and rights, net	5,413,039	191,320	18,784,656	1,447,050	4,525,722	4,794,475	1,029,922	
Investment in associates	48,227,056	1,585,330	48,298,290	226,050	16,480		76,591	
Liabilities by segments	396,563,871	112,870,628	140,279,863	61,074,258	37,562,936	21,400,022	31,771,790	15,354,830

(1) Mexico includes Telcel and corporate operations and assets
(2) Southern Cone includes Argentina, Chile, Paraguay and Uruguay
(3) Andean includes Ecuador and Peru.
(4) Central America includes Guatemala, El Salvador, Honduras, Nicaragua and Panama.
(5) Excludes Puerto Rico

(6) Caribbean includes the Dominican Republic, Puerto Rico and Jamaica

22. Components of other comprehensive income

An analysis of the components of the other comprehensive income as of December 31, 2009, 2010 and 2011 is as follows:

	2009	2010	**2011**
Valuation of the derivative financial instruments	Ps. (641,878)	Ps. (401,357)	**Ps. (276,748)**
Translation effect of foreign subsidiaries, net of deferred tax	22,976,080	(7,928,786)	**10,358,985**
Non-controlling interest of the items above	9,441,782	498,749	**61,772**
Other comprehensive income (loss)	Ps.31,775,984	Ps.(7,831,394)	**Ps.10,144,009**

23. Supplemental Guarantor Information

As mentioned in Note 16, the Company has issued senior notes in the United States. These notes are fully and unconditionally guaranteed by Telcel.

Consolidating Condensed Financial Information

The following consolidating information presents condensed consolidating balance sheets as of December 31, 2010 and 2011 and condensed consolidating statements of income and cash flows for each of the three years in the period ended December 31, 2011 of the Company and Telcel (the "wholly-owned Guarantor Subsidiary"). These statements are prepared in accordance with IFRS, as issued by the IASB, with the exception that the subsidiaries are accounted for as investments under the equity method rather than being consolidated. The guarantees of the Guarantor are full and unconditional.

The Company's consolidating condensed financial information for the (i) Company; (ii) its wholly-owned subsidiary Telcel (on standalone basis), which is a wholly and unconditional guarantor under the Senior Notes; (iii) the combined non-guarantor subsidiaries; iv) eliminations and v) the Company's consolidated financial statements are as follows:

	Parent	Wholly-owned Guarantor Subsidiary	Combined non-guarantor Subsidiaries	Eliminations	Consolidated Total
	As of December 31, 2010				
Assets:					
Cash and cash equivalents	Ps. 52,558,770	Ps. 878,844	Ps. 42,500,851		Ps. 95,938,465
Accounts receivable, net	25,464,621	12,201,315	60,819,572		98,485,508
Related parties	125,937,905	38,632,143	212,206,859	Ps. (373,205,871)	3,571,036
Inventories, net		9,706,438	20,306,056	(3,930,964)	26,081,530
Other current assets		391,277	9,244,156		9,635,433
Plant, property and equipment, net	9,800,000	13,518,033	391,317,955	(2,815,601)	411,820,387
Investments in associated companies and others	439,292,469	70,950,867	36,472,551	(496,176,432)	50,539,455
Intangible assets and other non-current assets, net	2,447,594	7,637,916	167,358,279		177,443,789
Total assets	Ps.655,501,359	Ps.153,916,833	Ps.940,226,279	Ps.(876,128,868)	Ps.873,515,603
Liabilities:					
Short-term debt and current portion of long-term debt	Ps. 1,583,208		Ps. 7,455,996		Ps. 9,039,204
Current liabilities	140,492,410	Ps.166,596,363	251,013,573	Ps. (362,598,467)	195,503,879
Long-term debt	200,772,926		93,288,026		294,060,952
Other non-current liabilities	5,000,832	1,387,374	43,093,595	(10,607,403)	38,874,398
Total liabilities	347,849,376	167,983,737	394,851,190	(373,205,870)	537,478,433
Equity attributable to equity holders of parent company	307,651,983	(14,066,904)	471,949,524	(457,882,620)	307,651,983
Non-controlling interest			73,425,565	(45,040,378)	28,385,187
Total equity	307,651,983	(14,066,904)	545,375,089	(502,922,998)	336,037,170
Total liabilities and equity	Ps.655,501,359	Ps.153,916,833	Ps.940,226,279	Ps. (876,128,868)	Ps.873,515,603

	Parent	Wholly-owned Guarantor Subsidiary	Combined non-guarantor Subsidiaries	Eliminations	Consolidated Total
		As of December 31, 2011			
Assets:					
Cash and cash equivalents	**Ps. 29,197,958**	**Ps. 2,012,334**	**Ps. 27,913,704**		**Ps. 59,123,996**
Accounts receivable, net	**14,813,792**	**10,824,959**	**107,112,555**		**132,751,306**
Related parties	**43,587,586**	**42,450,553**	**127,340,889**	**Ps.(209,965,129)**	**3,413,899**
Inventories, net	**776,540**	**14,789,027**	**18,612,019**	**(36,269)**	**34,141,317**
Other current assets		**568,473**	**10,278,276**		**10,846,749**
Plant, property and equipment, net	**13,361,842**	**15,067,840**	**437,657,091**		**466,086,773**
Investments in associated companies and others	**579,314,439**	**118,109,790**	**85,084,029**	**(728,290,235)**	**54,218,023**
Intangible assets and other non-current assets, net	**1,882,874**	**7,567,118**	**175,584,806**		**185,034,798**
Total assets	**Ps.682,935,031**	**Ps.211,390,094**	**Ps.989,583,369**	**Ps.(938,291,633)**	**Ps.945,616,861**
Liabilities:					
Short-term debt and current portion of long-term debt	**Ps. 1,197,237**		**Ps. 25,548,746**	**Ps. (102,668)**	**Ps. 26,643,315**
Current liabilities	**108,076,405**	**Ps.180,543,972**	**156,541,875**	**(209,047,136)**	**236,115,116**
Long-term debt	**287,514,674**		**66,460,813**		**353,975,487**
Other non-current liabilities	**506,527**	**16,385**	**33,571,931**	**(851,595)**	**33,243,248**
Total liabilities	**397,294,843**	**180,560,357**	**282,123,365**	**(210,001,399)**	**649,977,166**
Equity attributable to equity holders of parent company	**285,640,188**	**30,829,737**	**643,257,563**	**(674,087,304)**	**285,640,184**
Non-controlling interest			**64,202,441**	**(54,202,930)**	**9,999,511**
Total equity	**285,640,188**	**30,829,737**	**707,460,004**	**(728,290,234)**	**295,639,695**
Total liabilities and equity	**Ps.682,935,031**	**Ps.211,390,094**	**Ps.989,583,369**	**Ps.(938,291,633)**	**Ps.945,616,861**

	Parent	Wholly-owned Guarantor Subsidiary	Combined non-guarantor Subsidiaries	Eliminations	Consolidated Total
		Condensed consolidating statements of income: For the year ended December 31, 2009			
Total revenues		Ps.106,157,444	Ps.515,816,501	Ps. (60,719,347)	Ps.561,254,598
Total cost and operating expenses	Ps. 1,563,689	94,307,750	378,884,142	(62,312,507)	412,443,074
Operating (loss) income	(1,563,689)	11,849,694	136,932,359	1,593,160	148,811,524
Interest (expense) income, net	(9,729,782)	(2,259,976)	1,118,566	(57,497)	(10,928,689)
Exchange (loss) gain, net	2,829,007	(422,441)	11,013,296		13,419,862
Other financing cost, net	(4,731,976)	(282,351)	(5,047,536)		(10,061,863)
Taxes on profits	653,814	(2,293,953)	(34,659,028)		(36,299,167)
Equity interest in net income of associated companies	105,240,179	3,284,783	9,875,755	(116,441,339)	1,959,378
Net profit (loss) for year	Ps.92,697,553	Ps. 9,875,756	Ps.119,233,412	Ps.(114,905,676)	Ps.106,901,045
Distribution of the net profit (loss) to:					
Equity owners of holding company	Ps.92,697,553	Ps. 9,875,756	Ps.105,017,045	Ps.(114,892,801)	Ps. 92,697,553
Non-controlling interest			14,216,367	(12,875)	14,203,492
Net profit (loss)	Ps.92,697,553	Ps. 9,875,756	Ps.119,233,412	Ps.(114,905,676)	Ps.106,901,045

	Parent	Wholly-owned Guarantor Subsidiary	Combined non-guarantor Subsidiaries	Eliminations	Consolidated Total
	Condensed consolidating statements of income:				
	For the year ended December 31, 2010				
Total revenues	Ps. 3,745,818	Ps.107,499,431	Ps.597,055,338	Ps.(100,444,909)	Ps.607,855,678
Total cost and operating expenses	Ps. 1,336,270	106,223,410	448,408,826	(100,434,237)	455,534,269
Operating (loss) income	2,409,548	1,276,021	148,646,512	(10,672)	152,321,409
Interest (expense) income, net	(11,138,004)	(3,164,235)	1,825,243	(2,200)	(12,479,196)
Exchange (loss) gain, net	4,822,580	542,954	216,040		5,581,574
Other financing cost, net	(1,815,045)	(2,895,023)	(7,265,887)		(11,975,955)
Taxes on profits	137,446	1,326,144	(37,677,209)		(36,213,619)
Equity interest in net income of associated companies	96,706,527	3,412,786	498,647	(98,946,750)	1,671,210
Net profit (loss) for year	Ps.91,123,052	Ps. 498,647	Ps.106,243,346	Ps.(98,959,622)	Ps. 98,905,423
Distribution of the net profit (loss) to:					
Equity owners of holding company	Ps.91,123,052	Ps. 498,647	Ps. 97,951,398	Ps.(98,450,045)	Ps. 91,123,052
Non-controlling interest			8,291,948	(509,577)	7,782,371
Net profit (loss)	Ps.91,123,052	Ps. 498,647	Ps.106,243,346	Ps.(98,959,622)	Ps.98,905,423

	Parent	**Wholly-owned Guarantor Subsidiary**	**Combined non-guarantor Subsidiaries**	**Eliminations**	**Consolidated Total**
	Condensed consolidating statements of income:				
	For the year ended December 31, 2011				
Total revenues	**Ps.102,598,076**	**Ps.120,096,292**	**Ps.572,777,972**	**Ps.(130,170,836)**	**Ps.665,301,504**
Total cost and operating expenses	**57,092,568**	**109,575,540**	**473,440,945**	**(129,583,017)**	**510,526,036**
Operating (loss) income	**45,505,508**	**10,520,752**	**99,337,027**	**(587,819)**	**154,775,468**
Interest (expense) income, net	**(6,537,358)**	**(9,675,128)**	**2,278,785**	**(4,005)**	**(13,937,706)**
Exchange (loss) gain, net	**(19,497,182)**	**(646,502)**	**(2,251,032)**		**(22,394,716)**
Other financing cost, net	**2,433,267**		**5,773,049**	**(28,531)**	**8,177,785**
Taxes on profits	**(9,316,862)**	**(1,223,610)**	**(29,880,190)**		**(40,420,662)**
Equity interest in net income of associated companies	**70,266,156**	**1,350,663**	**326,175**	**(70,018,997)**	**1,923,997**
Net profit (loss) for year	**Ps. 82,853,529**	**Ps. 326,175**	**Ps. 75,583,814**	**Ps.(70,639,352)**	**Ps. 88,124,166**
Distribution of the net profit (loss) to:					
Equity owners of holding company	Ps. 82,853,529	Ps. 326,175	Ps. 67,927,923	Ps.(68,254,098)	Ps. 82,853,529
Non-controlling interest			(7,655,891)	2,385,254	(5,270,637)
Net profit (loss)	Ps. 82,853,529	Ps. 326,175	Ps. 75,583,814	Ps.(70,639,352)	Ps. 88,124,166

Condensed Consolidating Statements of Cash Flows:

	Parent	Wholly-owned Guarantor Subsidiary	Combined non-guarantor Subsidiaries	Eliminations	Consolidated Total
	For the year ended December 31, 2009				
Operating activities:					
Profit before taxes	Ps.106,247,230	Ps.12,169,709	Ps.153,892,439	Ps.(129,109,166)	Ps.143,200,212
Non-cash items	(118,526,932)	5,988,686	73,127,593	130,644,830	91,234,177
Changes in working capital:	60,814,480	(13,883,127)	(63,188,718)	(1,705,009)	(17,962,374)
Net cash flows (used in) provided by operating activities	48,534,778	4,275,268	163,831,314	(169,345)	216,472,015
Investing activities:					
Acquisition of plant, property and equipment		(3,662,657)	(73,784,361)		(77,447,018)
Acquisition of licenses		27,119	(2,411,120)		(2,384,001)
Dividends received	31,362,000	5,500,000	3,180,000	(40,042,000)	
Acquisition of non-controlling interest			(339,701)		(339,701)
Fixed asset sales			556,704		556,704
Net cash flows provided by (used in) investing activities	31,362,000	1,864,462	(72,798,478)	(40,042,000)	(79,614,016)
Financing activities:					
Bank loans, net	(30,479,328)		(2,449,284)		(32,928,612)
Acquisition of permanent investments		(169,345)	(1,151,853)	169,345	(1,151,853)
Interest paid		(2,453,158)	(13,474,462)		(15,927,620)
Repurchase and others	(24,657,808)		(6,824,849)		(31,482,657)
Payment of dividends	(25,462,328)	(3,180,000)	(44,480,698)	40,042,000	(33,081,026)
Net cash flows (used in) provided by financing activities	(80,599,464)	(5,802,503)	(68,381,146)	40,211,345	(114,571,768)
Net (decrease) increase in cash and cash equivalents	(702,686)	337,227	22,651,690		22,286,231
Adjustment to cash flow for exchange rate differences			1,194,606		1,194,606
Cash and cash equivalents at beginning of the period	2,818,137	68,061	33,399,498		36,285,696
Cash and cash equivalents at end of the period	Ps. 2,115,451	Ps. 405,288	Ps. 57,245,794		Ps. 59,766,533

	Parent	Wholly-owned Guarantor Subsidiary	Combined non-guarantor Subsidiaries	Eliminations	Consolidated Total
	For the year ended December 31, 2010				
Operating activities:					
Profit before taxes	Ps. 98,767,975	Ps. (827,498)	Ps.143,920,558	Ps.(106,741,993)	Ps.135,119,042
Non-cash items	(109,311,476)	9,438,536	104,928,291	106,729,121	111,784,472
Changes in working capital:	(71,545,454)	39,496,263	(14,109,221)	12,872	(46,145,540)
Net cash flows (used in) provided by operating activities	(82,088,955)	48,107,301	234,739,628		200,757,974
Investing activities:					
Acquisition of plant, property and equipment	(9,800,000)	(1,491,207)	(66,575,202)		(77,866,409)
Acquisition of licenses		(3,868,708)	(206,521)		(4,075,229)
Dividends received	61,525,499	3,300,000	8,871,250	(73,696,749)	
Acquisition of non-controlling Interest			(31,463,621)		(31,463,621)
Fixed asset sales			884,241		884,241
Net cash flows provided by (used in) investing activities	51,725,499	(2,059,915)	(88,489,853)	(73,696,749)	(112,521,018)
Financing activities:					
Bank loans, net	114,968,571		(83,015,282)		31,953,289
Acquisition of permanent Investments	(3,245,656)	(31,421,735)			(34,667,391)
Interest paid		(852,096)	(13,867,203)		(14,719,299)
Repurchase and others	(18,150,990)				(18,150,990)
Payment of dividends	(12,765,150)	(13,299,999)	(64,825,502)	73,696,749	(17,193,902)
Financial Instruments			826,850		826,850
Net cash flows (used in) provided by financing activities	80,806,775	(45,573,830)	(160,881,137)	73,696,749	(51,951,443)
Net (decrease) increase in cash and cash equivalents	50,443,319	473,556	(14,631,362)		36,285,513
Adjustment to cash flow for exchange rate differences			(113,581)		(113,581)
Cash and cash equivalents at beginning of the period	2,115,451	405,288	57,245,794		59,766,533
Cash and cash equivalents at end of the period	Ps. 52,558,770	Ps. 878,844	Ps. 42,500,851		Ps. 95,938,465

Condensed Consolidating Statements of Cash Flows:

	Parent	Wholly-owned Guarantor Subsidiary	Combined non-guarantor Subsidiaries	Eliminations	Consolidated Total
	For the year ended December 31, 2011				
Operating activities:					
Profit before taxes	Ps. 91,938,656	Ps. 1,549,784	Ps.105,464,007	Ps.(70,407,619)	Ps.128,544,828
Non-cash items	(57,862,808)	13,623,630	113,896,923	69,791,121	139,448,866
Changes in working capital:	67,986,792	1,647,322	(145,007,404)	620,355	(74,752,935)
Net cash flows (used in) provided by operating activities	102,062,640	16,820,736	74,353,526	3,857	193,240,759
Investing activities:					
Acquisition of plant, property and equipment	(3,561,842)	(5,360,109)	(111,271,237)		(120,193,188)
Acquisition of licenses			(993,692)		(993,692)
Dividends received	80,074,790		1,379,999	(81,454,789)	
Acquisition of non-controlling interest	(123,626,353)	(991,358)	(1,279,701)	123,626,353	(2,271,059)
Fixed asset sales			38,312		38,312
Net cash flows provided by (used in) investing activities	(47,113,405)	(6,351,467)	(112,126,319)	42,171,564	(123,419,627)
Financing activities:					
Bank loans, net	61,811,634		(15,803,025)		46,008,609
Acquisition of permanent investments	(64,458,586)		(3,005,784)		(67,464,370)
Interest paid	(9,487,535)	(7,955,780)	(623,978)		(18,067,293)
Paid-In capital			123,626,353	(123,626,353)	
Repurchase and others	(52,368,010)		(1,358,774)		(53,726,784)
Payment of dividends	(13,807,550)	(1,379,999)	(83,306,363)	81,450,932	(17,042,980)
Financial instruments			3,158,678		3,158,678
Net cash flows (used in) provided by financing activities	(78,310,047)	(9,335,779)	22,687,107	(42,175,421)	(107,134,140)
Net (decrease) increase in cash and cash equivalents	(23,360,812)	1,133,490	(15,085,686)		(37,313,008)
Adjustment to cash flow for exchange rate differences			498,539		498,539
Cash and cash equivalents at beginning of the period	52,558,770	878,844	42,500,851		95,938,465
Cash and cash equivalents at end of the period	Ps. 29,197,958	Ps. 2,012,334	Ps. 27,913,704		Ps. 59,123,996

Annex B – Undaudited interim condensed consolidated financial statements as of and for the three and nine months ended September 30, 2012

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The information in this report supplements information contained in our annual report on Form 20-F for the year ended December 31, 2011 (File No. 001-16269), filed with the Securities and Exchange Commission on April 30, 2012 (our "2011 Form 20-F").

AMÉRICA MÓVIL, S.A.B. DE C.V. AND SUBSIDIARIES

Consolidated Statements of Financial Position

(In thousands of Mexican pesos)

	At September 30, 2012 Unaudited	At December 31, 2011 Audited
Assets		
Current assets:		
Cash and cash equivalents	**Ps. 47,954,902**	Ps. 59,123,996
Accounts receivable, net	**111,676,653**	124,973,353
Derivative financial instruments	**326,432**	7,777,953
Related parties	**414,281**	3,413,899
Inventories, net	**29,168,618**	34,141,317
Other current assets, net	**15,916,533**	10,846,749
Total current assets	**205,457,419**	240,277,267
Non-current assets:		
Property, plant and equipment, net (Note 3)	**472,264,074**	466,086,773
Licenses and rights of use, net	**37,146,779**	38,530,899
Trademarks, net	**1,540,572**	3,006,854
Goodwill	**102,169,661**	73,038,433
Investment in associated companies and others (Note 4)	**71,723,189**	54,218,023
Deferred taxes	**32,107,532**	33,074,458
Net pension asset	**27,528,604**	22,327,733
Other non-current assets, net	**16,149,879**	15,056,421
Total non-current assets	**760,630,290**	705,339,594
Total assets	**Ps. 966,087,709**	Ps. 945,616,861
Liabilities and equity		
Current liabilities:		
Short-term debt and current portion of long-term debt (Note 5)	**Ps. 20,320,470**	Ps. 26,643,315
Accounts payable and accrued liabilities (Note 6)	**175,155,830**	178,740,455
Taxes payable	**18,274,718**	28,622,319
Derivative financial instruments	**3,831,640**	873,398
Related parties	**984,837**	1,630,265
Deferred revenues	**22,384,697**	26,248,679
Total current liabilities	**240,952,192**	262,758,431
Long-term debt (Note 5)	**390,792,740**	353,975,487
Deferred taxes	**18,090,147**	16,751,716
Deferred revenues	**1,094,938**	3,175,796
Employee benefits	**11,874,516**	13,315,736
Total non-current liabilities	**421,852,341**	387,218,735
Total liabilities	**662,804,533**	649,977,166
Equity (Note 9)		
Capital stock	**96,415,757**	96,419,636
Retained earnings:		
Prior years	**128,393,771**	81,198,952
Profit for the period	**76,478,456**	82,853,529
Total retained earnings	**204,872,227**	164,052,481
Other comprehensive income items	**(8,278,063)**	25,168,067
Equity attributable to equity holders of the parent	**293,009,921**	285,640,184
Non-controlling interests	**10,273,255**	9,999,511
Total equity	**303,283,176**	295,639,695
Total liabilities and equity	**Ps. 966,087,709**	Ps. 945,616,861

The accompanying notes are an integral part of these unaudited condensed consolidated financial statements

AMÉRICA MÓVIL, S.A.B. DE C.V. AND SUBSIDIARIES

Unaudited Condensed Consolidated Statements of Comprehensive Income

(In thousands of Mexican pesos, except for earnings per share)

	For the nine-month periods ended September 30,			
		2012		2011
				(Adjusted – see Note 2d)
Operating revenues:				
Services revenues	**Ps.**	**528,672,130**	Ps.	458,385,980
Net sales of equipment and accessories		**48,385,407**		42,821,528
Total net revenues		**577,057,537**		501,207,508
Operating costs and expenses:				
Cost of sales and services		**252,966,362**		206,727,046
Commercial, administrative and general expenses		**122,355,165**		106,640,716
Other expenses		**2,499,683**		2,768,990
Depreciation and amortization		**77,277,349**		68,836,743
Total operating costs and expenses		**455,098,559**		384,973,495
Operating income		**121,958,978**		116,234,013
Interest income		**4,364,304**		4,807,047
Interest expense		**(18,560,504)**		(14,708,520)
Exchange gain (loss), net		**12,208,224**		(15,693,953)
Valuation of derivatives and other financial items, net		**(7,036,481)**		8,544,197
Equity interest in net income of associated companies		**1,107,820**		1,803,690
Profit before income tax		**114,042,341**		100,986,474
Income tax (Note 10)		**37,003,464**		30,069,628
Net profit for the period	**Ps.**	**77,038,877**	Ps.	70,916,846
Net profit for the period attributable to:				
Equity holders of the parent	**Ps.**	**76,478,456**	Ps.	66,344,225
Non-controlling interests		**560,421**		4,572,621
	Ps.	**77,038,877**	Ps.	70,916,846
Other comprehensive loss items				
Effect of translation of foreign entities	**Ps. (**	**34,646,018)**	Ps.	1,461,631
Effect of fair value of derivatives, net of deferred taxes		**118,646**		452,152
Total other comprehensive income for the period		**(34,527,372)**		1,913,783
Total comprehensive income for the period	**Ps.**	**42,511,505**	Ps.	72,830,629
Comprehensive income for the period attributable to:				
Equity holders of the parent	**Ps.**	**43,183,733**	Ps.	68,236,105
Non-controlling interests		**(672,228)**		4,594,524
	Ps.	**42,511,505**	Ps.	72,830,629
Basic and diluted earnings per share attributable to equity holders of the parent	**Ps.**	**1.00**	Ps.	0.83

The accompanying notes are an integral part of these unaudited condensed consolidated financial statements

AMÉRICA MÓVIL, S.A.B. DE C.V. AND SUBSIDIARIES

Unaudited Condensed Consolidated Statements of Comprehensive Income

(In thousands of Mexican pesos, except for earnings per share)

	For the three-month periods ended September 30,			
	2012		2011	
			(Adjusted–see Note 2d)	
Operating revenues:				
Services revenues	**Ps.**	**176,075,300**	Ps.	158,758,008
Net sales of equipment and accessories		**16,745,459**		14,952,771
Total net revenues		**192,820,759**		173,710,779
Operating costs and expenses:				
Cost of sales and services		**84,978,490**		73,662,704
Commercial, administrative and general expenses		**40,664,637**		36,105,939
Other expenses		**930,082**		882,749
Depreciation and amortization		**25,423,409**		23,738,411
Total operating costs and expenses		**151,996,618**		134,389,803
Operating income		**40,824,141**		39,320,976
Interest income		**1,216,726**		1,740,789
Interest expense		**(6,192,402)**		(5,137,126)
Exchange gain (loss), net		**9,014,606**		(22,185,204)
Valuation of derivatives and other financial items, net		**(1,668,016)**		12,846,572
Equity interest in net income of associated companies		**1,171,891**		505,176
Profit before income tax		**44,366,946**		27,091,183
Income tax (Note 10)		**13,516,891**		6,925,715
Net profit for the period	**Ps.**	**30,850,055**	Ps.	20,165,468
Net profit for the period attributable to:				
Equity holders of the parent	**Ps.**	**30,587,165**	Ps.	18,682,357
Non-controlling interests		**262,890**		1,483,111
	Ps.	**30,850,055**	Ps.	20,165,468
Other comprehensive loss items				
Effect of translation of foreign entities	**Ps.**	**(15,934,303)**	Ps.	6,377,293
Effect of fair value of derivatives, net of deferred taxes		**4,899**		919,236
Total other comprehensive income for the period		**(15,929,404)**		7,296,529
Total comprehensive income for the period	**Ps.**	**14,920,651**	Ps.	27,461,997
Comprehensive income for the period attributable to:				
Equity holders of the parent	**Ps.**	**15,247,217**	Ps.	24,955,912
Non-controlling interests		**(326,566)**		2,506,085
	Ps.	**14,920,651**	Ps.	27,461,997
Basic and diluted earnings per share attributable to equity holders of the parent	**Ps.**	**0.40**	Ps.	0.24

The accompanying notes are an integral part of these unaudited condensed consolidated financial statements

AMÉRICA MÓVIL, S.A.B. DE C.V. AND SUBSIDIARIES

Unaudited Consolidated Statements of Changes in Equity

For the nine-month periods ended September 30, 2012

(In thousands of Mexican pesos)

	Capital stock	Legal reserve	Retained earnings	Total retained earnings	Effect of derivative financial instruments acquired for hedging purposes	Effect of translation	To at t h th
Balance at January 1, 2012	Ps. 96,419,636	Ps. 358,440	Ps. 163,694,041	Ps. 164,052,481	Ps.(242,583)	Ps. 25,410,650	Ps. 28
Net profit for the period			**76,478,456**	**76,478,456**			**7**
Effect of translation of foreign entities						**(33,399,828)**	**(3**
Effect of fair value of derivatives, net of deferred taxes					**105,105**		
Comprehensive income for the period			**76,478,456**	**76,478,456**	**105,105**	**(33,399,828)**	**4**
Dividends			**(15,289,943)**	**(15,289,943)**			**(1**
Repurchase of shares	**(3,879)**		**(14,962,942)**	**(14,962,942)**			**(1**
Consolidation effect of Net						**(151,407)**	
Acquisition of non-controlling interests			**(5,405,825)**	**(5,405,825)**			
Balance at September 30, 2012	**Ps. 96,415,757**	**Ps. 358,440**	**Ps. 204,513,787**	**Ps. 204,872,227**	**Ps. (137,478)**	**Ps. (8,140,585)**	**Ps. 29**

The accompanying notes are an integral part of these unaudited condensed consolidated financial statements

AMÉRICA MÓVIL, S.A.B. DE C.V. AND SUBSIDIARIES

Unaudited Consolidated Statements of Changes in Equity

For the nine-month periods ended September 30, 2011

(In thousands of Mexican pesos)

	Capital stock	Legal reserve	Retained earnings	Total retained earnings	Effect of derivative financial instruments acquired for hedging purposes	Effect of translation	Total attrib to e hold the p
Balance at January 1, 2011	Ps. 96,433,461	Ps. 358,440	Ps. 195,774,252	Ps. 196,132,692	Ps. 34,165	Ps. 15,051,665	Ps. 307,
Net profit for the period			66,344,225	66,344,225			66,
Effect of translation of foreign entities						1,620,449	1,
Effect of fair value of derivatives, net of deferred taxes					271,431		
Comprehensive income for the period			66,344,225	66,344,225	271,431	1,620,449	68,
Dividends			(13,944,185)	(13,944,185)			(13,
Repurchase of shares	(11,843)		(44,821,445)	(44,821,445)			(44,
Repurchase by subsidiary of its own shares			(814,388)	(814,388)			(
Acquisition of non-controlling interests			(317,325)	(317,325)			(
Balance at September 30, 2011	Ps. 96,421,618	Ps. 358,440	Ps. 202,221,134	Ps. 202,579,574	Ps. 305,596	Ps. 16,672,114	Ps. 315,

The accompanying notes are an integral part of these unaudited condensed consolidated financial statements

AMÉRICA MÓVIL, S.A.B. DE C.V. AND SUBSIDIARIES

Unaudited Consolidated Statements of Cash Flows

(In thousands of Mexican pesos)

	For the nine-month periods ended September 30, 2012	2011 (Adjusted—see Note 2g)
Operating Activities:		
Profit before income tax	**Ps. 114,042,341**	Ps. 100,986,474
Items not requiring the use of cash:		
Depreciation	**68,673,700**	61,090,915
Amortization of intangible assets	**8,603,649**	7,745,828
Equity interest in net income of associated companies	**(1,107,820)**	(1,803,690)
Loss (gain) on sale of fixed assets	**(26,629)**	(2,380)
Net period cost of labor obligations	**6,555,963**	6,152,302
Exchange (gain) loss, net	**(22,509,065)**	20,171,363
Interest expense	**18,560,504**	14,708,520
Employee profit sharing	**2,859,482**	2,964,918
Other financial costs, net	**2,057,788**	(13,019,586)
Working capital adjustments:		
Accounts receivable	**4,804,690**	(2,529,434)
Prepaid expenses	**(5,172,719)**	(4,321,491)
Related parties	**166,709**	(540,221)
Inventories	**3,523,754**	(2,139,267)
Other assets	**(2,555,197)**	(1,291,710)
Accounts payable and accrued liabilities	**1,364,236**	(6,742,508)
Financial instruments	**34,084**	1,089,781
Deferred revenues	**(712,867)**	258,362
Labor obligations	**(9,173,581)**	(5,944,202)
Employee profit sharing paid	**(3,354,552)**	(3,314,732)
Income tax paid	**(34,446,114)**	(46,727,066)
Net cash flow provided by operating activities	**152,188,356**	126,792,176
Investing activities:		
Purchase of property, plant and equipment	**(92,553,515)**	(70,656,312)
Acquisition of licenses	**(253,927)**	(901,005)
Proceeds from sale of fixed assets	**38,582**	30,208
Dividend received	**571,187**	
Cash balances of NET acquired on consolidation	**4,534,308**	
Acquisition of investments	**(71,540,125)**	(1,378,112)
Net cash flow used in investing activities	**(159,203,490)**	(72,905,221)
Financing activities:		
Loans obtained	**133,536,525**	79,585,723
Repayment of loans	**(90,662,861)**	(51,016,036)
Interest paid	**(16,752,371)**	(16,238,441)
Repurchase of shares	**(15,082,304)**	(45,788,771)
Dividend paid	**(7,638,601)**	(10,072,862)
Derivative financial instruments	**5,123,774**	(75,692)
Acquisition of non-controlling interest	**(7,421,493)**	(3,635,731)
Net cash flow used in financing activities	**1,102,669**	(47,241,810)
Net (decrease) increase in cash and cash equivalents	**(5,912,465)**	6,645,145
Adjustment to cash flows due to exchange rate fluctuations	**(5,256,629)**	552,013
Cash and cash equivalents at beginning of period	**59,123,996**	95,938,465
Cash and cash equivalents at end of period	**Ps. 47,954,902**	Ps. 103,135,623

Non-cash transactions related to:

	2012	2011
Investing activities		
Purchases of Property, plant and equipment	**Ps. 10,791,695**	Ps. 2,565,305

The accompanying notes are an integral part of these unaudited condensed consolidated financial statements.

AMÉRICA MÓVIL, S.A.B. DE C.V. AND SUBSIDIARIES

Notes to Condensed Consolidated Financial Statements

(In thousands of Mexican pesos and thousands of U.S. dollars, unless otherwise indicated)

1. Description of the business

América Móvil, S.A.B. de C.V. and subsidiaries (hereinafter, the "Company or "América Móvil") was incorporated under laws of Mexico on September 25, 2000. The Company provides telecommunications services in 18 countries throughout Latin America, the United States and the Caribbean. These telecommunications services include mobile and fixed voice services, mobile and fixed data services, internet access and paid TV, as well as other related services.

- The voice services provided by the Company, both mobile and fixed, mainly include the following: airtime, local, domestic and international long-distance services, and network interconnection services.
- The data services provided by the Company include the following: value added services, corporate networks, data and Internet services.
- Paid TV represents basic services, as well as pay per view and additional programming and advertising services.
- Related services mainly include equipment and computer sales, and revenues from advertising in telephone directories and other services in related with Telecommunications Industries.

In order to provide these services, América Móvil has the necessary licenses, permits and concessions (collectively referred to herein as "licenses") to build, install, operate and exploit public and/or private telecommunications networks and provide miscellaneous telecommunications services (mostly mobile and fixed telephony services), as well as to operate frequency bands in the radio-electric spectrum to be able to provide fixed wireless telephony and to operate frequency bands in the radio-electric spectrum for point-to-point and point-to-multipoint microwave links. The Company holds licenses in the 18 countries where it has a presence, and such licenses will expire between 2013 through 2046.

Certain licenses require the payment to the respective governments of a share in sales determined as a percentage of revenues from services under concession. The percentage is set as either a fixed rate or in some cases based on certain size of the infrastructure in operation.

América Móvil is located in Mexico City at Lago Zurich # 245, Colonia Ampliación Granada, Miguel Hidalgo, zip code 11529.

2. Basis of Preparation of the Consolidated Financial Statements and Summary of Significant Accounting Policies and Practices

a) Basis of preparation

The accompanying unaudited interim condensed consolidated financial statements for all the periods presented, have been prepared in conformity with the International Accounting Standard 34, *Interim Financial Reporting* (IAS 34), as issued by the IASB, applicable to interim financial statements and using the same accounting policies applied in preparing the annual statements.

The unaudited interim condensed consolidated financial statements do not include all the information and disclosures required in the annual financial statements, and should be read in conjunction with the Company's audited annual consolidated financial statements as of December 31, 2011 included in our Annual Report in Form 20-F for the year ended December 31, 2011 (the "2011 Form 20-F").

The preparation of these financial statements under International Financial Reporting Standards (IFRS) requires the use of critical estimates and assumptions that affect the amounts reported for certain assets and liabilities, as well as certain income and expenses. It also requires that management exercise judgment in the application of the Company's accounting policies.

The Mexican peso is the currency of presentation of these financial statements.

b) New standards, interpretations and amendments thereof

The accounting policies adopted in the preparation of the unaudited condensed consolidated financial statements are consistent with those followed in the preparation of the Company's annual consolidated financial statements for the year ended December 31, 2011. Furthermore, certain IFRS standards are pending adoption as described below.

IFRS 7, Financial Instruments: Disclosures. Enhanced Derecognition Disclosure Requirements

The amendment requires additional disclosure about financial assets that have been transferred but not derecognized to enable the user of the Company´s financial statements to understand the relationship with those assets that have not been derecognized and their associated liabilities. In addition, the amendment requires disclosures about continuing involvement in derecognized assets to enable the user to evaluate the nature of, and risks associated with, the entity's continuing involvement in those derecognized assets. The amendment becomes effective for annual periods beginning on or after July 1, 2011. The amendment affects disclosure only and has no impact on AMXs financial position or performance.

The Company is currently evaluating the impact of the adoption of this new standard.

IFRS 9, Financial Instruments: Classification and Measurement

IFRS 9 for financial assets was first published in November 2009 and was later updated in October 2010 to include financial liabilities. These pronouncements initially required the adoption of the standard for annual periods on or after January 1, 2013. Amendments to IFRS 9 Mandatory Effective Date of IFRS 9 and Transition Disclosures, issued in December 2011, moved the mandatory effective date of both the 2009 and 2010 versions of IFRS 9 from January 1, 2013 to January 1, 2015.

The Company is currently evaluating the impact of the adoption of this new standard.

IFRS 10, Consolidated Financial Statements

IFRS 10 replaces the portion of IAS 27, *Consolidated and Separate Financial Statements*, that addresses the accounting for consolidated financial statements. It also includes the issues raised in SIC-12, *Consolidation—Special Purpose Entities*.

IFRS 10 establishes a single control model that applies to all entities including special purpose entities. The changes introduced by IFRS 10 will require management to exercise significant judgment to determine which entities are controlled, and therefore, are required to be consolidated by a parent, compared with the requirements that were in IAS 27. This standard becomes effective for annual periods beginning on or after January 1, 2013.

The Company is currently evaluating the impact of the adoption of this new standard.

IFRS 11 Joint Arrangements, IAS 28 Investments in Associates and Joint Ventures Effective for annual periods beginning on or after January 1, 2013.

IFRS 11 replaces IAS 31, *Interests in Joint Ventures* and SIC-13, *Jointly-controlled Entities — Non-monetary Contributions by ventures*. Joint control under IFRS 11 is defined as the contractually agreed sharing of control of an arrangement, which exists only when the decisions about the relevant activities require the unanimous consent of the parties sharing control. 'Control' in 'joint control' refers to the definition of 'control' in IFRS 10.

The Company is currently evaluating the impact of the adoption of this new standard.

IFRS 12, Disclosure of Involvement with Other Entities

IFRS 12 includes all of the disclosures that were previously in IAS 27 related to consolidated financial statements, as well as all of the disclosures that were previously included in IAS 31 and IAS 28. These disclosures relate to an entity's interests in subsidiaries, joint arrangements, associates and structured entities.

The Company is currently evaluating the impact of the adoption of this new standard.

IFRS 13, Fair Value Measurement

IFRS 13 does not change when fair value is used, but rather describes how to measure fair value when fair value is required or permitted by IFRS. Fair value under IFRS 13 is defined as "the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date" (i.e., an 'exit price'). 'Fair value' as used in IFRS 2 Share-based Payments and IAS 17 Leases is excluded from the scope of IFRS 13.

The Company is currently evaluating the impact of the adoption of this new standard.

IAS 19, Employee Benefits (Amendment)

On June 16, 2011, the IASB published modifications to IAS 19, *Employee Benefits*, which changes the accounting for defined benefit plans and termination benefits. The modifications require the recognition of the changes in the defined benefit obligation and plan assets when they occur, eliminating the corridor approach and accelerating the recognition of past service costs. The changes also eliminate the deferral of actuarial gains/losses, and require that they be recorded directly within other comprehensive income in each reporting period. Changes in the defined benefit obligation and plan assets are divided in three components: service cost, net interest of net (assets) liabilities of defined benefits and remeasurement of the net (assets) liabilities for defined benefits. The net interest is calculated using a rate of return for high quality corporate bonds, which may be less than the current rate used to calculate the expected return on the plan assets, resulting in a decrease to the profit for the current period.

The modifications are effective beginning January 1, 2013, with early adoption allowed. Also retrospective application is required with certain exceptions.

The Company has defined benefit pension plans for its operations in Puerto Rico, Brazil and Mexico, all of which have unrecognized actuarial losses. While the Company has not completed its determination of the exact impact of this new standard, it has preliminarily estimated the potential impact to be as much as a Ps. 52.0 billion decrease in shareholders' equity upon adoption.

c) Consolidation and basis of translation of financial statements of foreign subsidiaries

i) Consolidation

The unaudited interim condensed consolidated financial statements include the accounts of América Móvil, S.A.B. de C.V. and those of the subsidiaries over which the Company exercises control. The financial statements for the subsidiaries were prepared for the same period as the holding company, applying consistent accounting policies. All of the companies operate in the telecommunications field or provide services to companies relating to this activity.

All intercompany balances and transactions have been eliminated in the unaudited interim condensed consolidated financial statements. Non-controlling interests refer to certain subsidiaries in which the Company does not hold 100% of the shares.

The results of operations of the subsidiaries and associates were included in the Company's unaudited interim condensed consolidated financial statements beginning as of the month following their acquisition.

Non-controlling interests represent the portion of profits or losses and net assets not held by the Company. Non-controlling interests are presented separately in the consolidated Statement of Comprehensive Income and are presented in equity in the Consolidated Statement of Financial Position separately from América Móvil's own equity.

Acquisitions of non-controlling interest are recognized as equity transactions (transactions with owners in their capacity as owners). The carrying amounts of the controlling and non-controlling interests are adjusted to reflect the changes in their relative interests in the subsidiary. Any difference between the amount by which the non-controlling interests are adjusted and the fair value of the consideration paid are recognized directly in equity and attributed to the owners of the parent.

ii) Basis of translation of financial statements of foreign subsidiaries and associated companies

The financial statements of foreign subsidiaries and associated companies are either consolidated or recognized using the equity method, respectively, in accordance with the following:

The reported financial statements of América Móvil's foreign operations were converted to International Financial Reporting Standards in the local currency and then translated into the reporting currency. Since none of our subsidiaries and associates operates in a hyperinflationary economic environment and each of their local currency is its functional currency, the translation of their financial statements prepared under IFRS and denominated in their respective local currencies, was translated as follows:

- all monetary assets and liabilities were translated at the prevailing exchange rate at the period closing;
- all non-monetary assets and liabilities at the exchange rate in effect at the period closing;
- equity accounts are translated at the prevailing exchange rate at the time the capital contributions were made and the profits were generated;
- revenues, costs and expenses are translated at the average exchange rate during the applicable period;
- the difference resulting from the translation process is recognized in equity in the caption "Effect of translation of foreign entities"; and
- the statements of cash flows were translated using the weighted average exchange rate for the applicable period.

The difference resulting from the translation process is recognized in equity in the caption "Effect of translation of foreign entities". At September 30, 2012 and 2011, the cumulative translation (loss) gain was Ps.(8,140,585) and Ps.16,672,114, respectively.

d) Revenue recognition

Revenues are recognized at the time the related service is rendered, provided that the revenue may be reliably measured, it is probable that the entity will receive the economic benefits associated with the transaction, the degree of completion of the transaction may be reliably measured and there is high certainty of collectability.

Beginning January 1, 2012, upon a further review of vendor agreements, the Company concluded based on the terms of such agreements that the correct presentation of commissions paid to distributors for postpaid plans, whether for activation, loyalty or volume, under IFRS in the income statement should be on a gross basis (as an expense) rather than as a reduction of revenue as was historically made. Thus, beginning January 1, 2012, the Company changed its accounting to begin recording commissions paid to distributors as a commercial, administrative and general expense, rather than as reduction of revenue. The Company has retrospectively adjusted the unaudited condensed consolidated statements of comprehensive income for the three and nine-month periods ended September 30, 2011 to reflect this correction, resulting in an increase to both services revenues and commercial, general and administrative expenses.

The Company has not revised its annual consolidated financial statements for the years ended December 31, 2009, 2010 and 2011 included in its 2011 Form 20-F as it does not view such revision to be material to the presentation of such consolidated financial statements. The Company does, however, intend to make such a retrospective revision for comparability purposes when it prepares its 2012 Form 20-F. Had such revision been applied retrospectively to the annual consolidated financial statements, total revenues would have been Ps. 581,560,025, Ps.629,889,329 and Ps. 689,966,312 for December 31, 2009, 2010 and 2011, respectively.

Voice services fixed and mobile

- Monthly rent in post-paid plans is billed based on the associated plan and package rates, corresponding to when the services are provided. Revenues billed for services to be rendered are recognized as deferred revenues.
- Revenues from local services are derived from charges for line installations, monthly rent for services and monthly charges for metered services based on the number of minutes. These revenues depend on the number of lines in service, the number of newly installed lines and volume of minutes.
- Revenues for interconnection services, which represent calls from other carriers entering the Company's mobile and fixed line networks (incoming interconnection services), are recognized at the time the service is provided. Such services are invoiced based on the rates previously agreed with other carriers.
- Long-distance revenues originate from airtime or minutes used in making calls in a region or coverage areas outside of the area where the customer's service is activated. These revenues are recognized at the time the service is provided.
- Revenues from roaming charges are related to airtime charged to customers for making or receiving calls when visiting a local service area, country or region outside the local service area where the customer's service is activated. The related revenues are recognized at the time the service is provided based on the rates established and agreed upon by our subsidiaries with other domestic and international mobile carriers.

Data fixed and mobile

- Value added services and other services include voice services and data transmission services (such as two-way and written messages, call information, ring tones, emergency services, among others). Revenues from such services are recognized at the time they are provided or when the services are downloaded.
- Internet services and the sale of point-to-point and point-to-multipoint links are recognized on the date of installation, which is similar to the date when the respective traffic begins.
- Revenues from corporate networks are obtained mainly from private lines and from providing virtual private network services. These revenues are recognized at the time the respective traffic begins.

Pay television

Revenues from pay TV include payments for package deals, pay-per-view and advertising, all of which are recognized at the time the services are provided. Revenue is recognized for programming services that include a TV channel package, as well as for pay-per-view.

Other related services

- Advertising revenues earned through the publication of the telephone directory are recognized when advertising is published.
- Sales of mobile phone equipment and computers, which are mostly made to authorized distributors and the general public, are recognized as revenue at the time the products are delivered and accepted by the customer, the distributors and general public do not have the right to return the products, and the recovery of the amounts is probable.

Points programs

The points programs are recognized as a reduction to revenues, since they effectively represent a decrease in the price of mobile services and equipment.

e) Cost of mobile equipment and computers

The cost of mobile equipment and computers is recognized at the time the related revenue is recognized. The costs relating to the sale of such equipment is recognized as cost of sales.

f) Cost of services

These costs include the cost of call terminations in the networks of other carriers, the costs to link the fixed and mobile networks, payments for long-distance services, rental costs for the use of infrastructure (links, ports and measured service), as well as message exchanges between carriers. Such costs are recognized at the time the service is received by the fixed or mobile carriers. These costs also include last-mile costs and line installation costs, which are also recognized at the time the services are received.

g) Cash and cash equivalents and marketable securities

Cash and cash equivalents consist of bank deposits and highly liquid investments with maturities of less than 90 days. These investments are stated at cost plus accrued interest, which is similar to their market value.

The presentation of the statement of cash flows for the nine-month period ended September 30, 2011 was corrected to eliminate an intercompany transaction not previously identified in the cash balance.

h) Allowance for bad debts

The Company periodically recognizes a provision for doubtful accounts based mainly on its past experience, the aging of its accounts receivable, the delays in resolving its disputes with other carriers, and the market segments of its customers (governments, businesses and mass market).

Collection policies and procedures vary depending on the credit history of the customer, the credit granted, and the age of the unpaid calls in other cases.

The evaluation of collection risk of accounts receivables with related parties is performed annually based on an examination of each related party’s financial situation and the markets in which they operate.

i) Inventories

Inventories are initially recognized at historical cost and are valued using the average cost method, without exceeding their net realizable value.

The estimate of the realizable value of inventories on-hand is based on their age and turnover.

j) Goodwill

Business combinations are accounted for using the acquisition method.

Goodwill represents the difference between the purchase price and the fair value of the net assets acquired at the acquisition date.

Goodwill is reviewed annually to determine its recoverability or more often if circumstances indicate that the net book value of the goodwill might be not fully recoverable.

The possible loss of value in goodwill is determined by analyzing the recovery value of the cash generating unit (or the group thereof) to which the goodwill is associated at the time it originated. If this recovery value is lower than the net book value, an impairment loss is charged to results of operations.

For the nine months ended September 30, 2012 and 2011, the Company has not recorded any impairment on its goodwill and or other intangible assets.

k) Property, plant and equipment

Property, plant and equipment are recorded at acquisition cost, net of accumulated depreciation. Depreciation is computed on the deemed cost of the assets using the straight line method, based on the estimated useful lives of the related assets, beginning the month after they become available for use.

The Company periodically assesses the residual values, useful lives and depreciation methods associated with its property, plant and equipment. If necessary, the effects of any changes in accounting estimates is recognized prospectively, at the closing of each period, in accordance with IAS 8, *Accounting Policies, Changes in Accounting Estimates and Errors*.

Borrowing costs that are incurred for general financing for construction in progress for periods exceeding six months are capitalized as part of the cost of the asset.

Inventories for the operation of telephone plant are valued using the average cost method, without exceeding their net realizable value.

The valuation of inventories for the operation of the telephony plant considered obsolete, defective or slow-moving, are reduced to their estimated net realizable value. The estimate of the recovery value of inventories is based on their age and turnover.

In addition to the purchase price and costs directly attributable to preparing an asset in terms of its physical location and condition for use as intended by management, the cost also includes the estimated costs for the dismantlement and removal of the asset, and for restoration of the site where it is located. For property, plant and equipment made up of several components with different useful lives, the major individual components are depreciated over their individual useful lives. Maintenance costs and repairs are expensed as incurred.

The net book value of property, plant and equipment items is removed from the balance sheet at the time the asset is sold or when no future economic benefits are expected from its use or sale. Any gains or losses on the sale of property, plant and equipment represent the difference between net proceeds of the sale, if any, and the net book value of the item at the time of sale. These gains or losses are recognized as either other operating income or operating expenses upon sale.

The carrying value of property, plant and equipment is reviewed whenever there are indicators of impairment in such assets. Whenever an asset's recovery value, which is the greater of the asset's selling price and its value in use (the present value of future cash flows), is less than the asset's net carrying value, the difference is recognized as an impairment loss.

For the nine-month periods ended September 30, 2012 and 2011, no impairment losses were recognized on property, plant and equipment.

l) Impairment in the value of long-lived assets

The Company has a policy in place for evaluating the existence of indicators of impairment in the carrying value of long-lived fixed assets, including goodwill and intangibles. When there are such indicators, or in the case of assets whose nature requires an annual impairment analysis, the recovery value of the asset is estimated, which is the greater of its fair value, less any disposal costs, and its value in use. Value in use is determined by discounting estimated future cash flows, applying a discount rate before taxes that reflects the time value of money and taking into consideration the specific risks associated with the asset. When the recovery value of an asset is below its net book value, an impairment is considered to exist. In this case, the book value of the asset is reduced to the asset's recovery value, recognizing the loss in results of operations for the respective period. Depreciation and/or amortization expense of future periods is adjusted based on the new book value determined for the asset over the asset's remaining useful life. Impairment is computed individually for each asset. Recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or group of assets.

In the estimation of impairments, the Company uses the strategic plans established for the separate cash generating units to which the assets are assigned. Such strategic plans generally cover a period from three to five years. For longer periods, beginning in the fifth year, projections are used that are based on such strategic plans while applying a constant or decreasing expected growth rate.

The estimations are performed according to the requirements and methodology required by the IAS 36 for each of the Company's subsidiaries understanding each subsidiary as a cash generating unit (CGU).

The forecasts are performed by the Company's management in real terms (without inflation) and in pesos with acquisition value. The forecasts are made according to budgets which are approved by the Company's Chief Executive Officer (CEO) and are the same presented to the Board of Directors.

In the procedure of elaborating the information regarding the financial forecast, premises and assumptions have been included which any other market participant in similar conditions would consider.

m) Licenses and trademarks

Licenses are recorded at acquisition cost, net of accumulated amortization.

Licenses to operate wireless telecommunications networks are accounted for at cost or at fair value at acquisition date. Licenses are amortized using the straight-line method over a period ranging from 5 to 40 years, which represents the usage period of the assets.

Trademarks are recorded at their value in use at the valuation date when acquired, as determined by independent appraisers, and are amortized using the straight-line method over a period ranging from 1 to 10 years.

The value of the Company's intangible assets with defined useful lives is reviewed annually and whenever there are indicators of impairment in the value of such assets. Whenever an asset's recovery value, which is the greater of the asset's selling price and its value in use (the present value of future cash flows), is less than the asset's net carrying amount, the difference is recognized as an impairment loss.

For the nine-month periods ended September 30, 2012 and 2011, no impairment losses were recognized on licenses and trademarks.

3. Property, plant and equipment, net

During the nine-month periods ended September 30, 2012 and 2011, the Company invested in plant and equipment in order to increase and update its transmission network and other mobile and fixed assets for an amount of Ps 92,553,515 and Ps. 70,656,312, respectively.

4. Equity Investments in associated companies and others

An analysis of this caption is as follows

	September 30, 2012	December 31, 2011
Investments in:		
Net Serviços de Comunicação, S.A.		Ps. 53,055,002
KoninKlijke KPN N.V. ("KPN")	**Ps. 53,306,380**	
Telekom Austria AG ("Telekom Austria")	**15,977,419**	
Other investments	**2,439,390**	1,163,021
	Ps. 71,723,189	Ps. 54,218,023

The following is a description of the major acquisitions during the nine-month period ended September 30 2012:

	Balance at January 1, 2012	Equity Interest Acquired and dividend received	Equity Interest in net income of associate	Effect of translation	Balance at September 30, 2012
KoninKlijke KPN N.V. ("KPN")		Ps. 52,211,266	Ps. 1,150,330	Ps. 55,216	Ps. 53,306,380
Telekom Austria AG ("Telekom Austria")		Ps. 15,977,419			Ps. 15,977,419

a) KoninKlijke KPN N.V. ("KPN").

On May 29, 2012, our subsidiary AMOV Europa B.V. ("AMOV") commenced a partial tender offer in cash to all holders of ordinary shares of Koninklijke KPN N.V. ("KPN"). KPN is the leading telecommunications service provider in The Netherlands, which offers fixed-line and wireless telecommunications services, internet and Pay TV to consumers, and end-to-end telecommunications services to business customers. AMOV offered to purchase up to the number of shares that would result in AMOV and América Móvil holding 393,283,000 shares (representing a total of up to approximately 27.7% of all outstanding shares of KPN). The offer was subject to Dutch disclosure and procedural requirements, which differ from those of the United States. The Company purchased shares of KPN prior to commencing and during the offer, and as of June 27, 2012, América Móvil and AMOV held a total of 353,283,000 shares of KPN, representing 24.9% of the outstanding shares of KPN. The offer expired on June 27, 2012, and more than a sufficient number of shares needed for us to reach the maximum ownership amount of 27.7% of the outstanding shares was tendered. Upon closing of the tender offer, the total aggregate cost of the Company's investment in KPN is approximately €3,047 million (Ps. 52.2 billion).

The following tables show condensed consolidated financial information of KPN as of June 30, 2012 at preliminary estimated fair value as of the date of acquisition.

(Millions of Mexican pesos)

Current assets	Ps.	49,628
Property, plant and equipment		134,533
Other assets		202,700
Total assets		386,861
Total liabilities		342,478
Total equity		44,383
% of equity acquired		27.7%
Total equity attributable to AMX		12,307
Purchase price		52,211
Goodwill	Ps.	39,904

The Company's equity method purchase price allocation is preliminary in nature and is currently in the process of making the necessary assessments in order to determine the specific fair value of net assets of underlying equity method investment.

b) Telekom Austria AG ("Telekom Austria")

On June 15, 2012, the Company agreed to acquire approximately 21% of the outstanding shares of Telekom Austria AG ("Telekom Austria") from Marathon Zwei Beteiligungs GmbH, a wholly-owned subsidiary of RPR Privatstiftung, a private trust established by Mr. Ronny Pecik. Under the agreement, the Company acquired 5% of the outstanding shares of Telekom Austria, and had right to acquire additional shares. On September 25, 2012, the Company exercised this right and acquired approximately 16% of the outstanding shares of Telekom Austria, after receiving the required regulatory approvals. As of September 30, 2012, the Company held directly and indirectly approximately 22.76% of the outstanding shares of Telekom Austria. The total aggregate costs of the Company's investment in Telekom Austria is approximately €954 million (Ps.15,977 million). Telekom Austria is the largest telecommunications company in Austria, and also provides telecommunications services in Belarus, Bulgaria, Croatia, Liechtenstein, Macedonia, Serbia and Slovenia.

Presented below is preliminary financial information for Telekom Austria:

(Millions of Mexican pesos)

Current assets	Ps.	36,940
Property, plant and equipment		42,209
Other Assets		54,396
Total assets		133,545
Total liabilities		119,434
Total equity		14,111
Non-controlling interest		17
Total equity		14,094
% of equity acquired		22.76%
Total equity attributable to AMX		3,221
Purchase price		15,977
Goodwill	Ps.	12,756

The Company's equity method purchase price allocation is preliminary in nature and is currently in the process of making the necessary assessments in order to determine the specific fair value of net assets of underlying equity method investment.

c) DLA, Inc. (“DLA”)

On January 6, 2012, América Móvil entered into an agreement with Claxson Interactive Group, Inc. during the fourth quarter of 2011, and acquired as of such date 100% of the shares representing the capital stock of DLA, Inc. (“DLA”). The amount paid was Ps. 615,927 (US$ 50 million).

DLA is the leading corporation in the development, integration and delivery of entertainment products made for digital distribution in Latin America.

d) Simple Mobile, Inc.

On June 19, 2012, our subsidiary Tracfone Wireless Inc. acquired 100% of the operations of Simple Mobile Inc. for approximately US$ 118.0 million (Ps. 1,651.7 million). Simple Mobile, Inc. is one of the fastest growing mobile virtual network operators (MVNOs) in the United States, with more than 2.5 million customer activations.

e) On September 2012, the Company acquired an equity interest in other Mexican entities for an amount of Ps. 379,564.

f) Net Serviços de Comunicação, S.A. (NET)

As a result of AMX obtaining control of NET in February 2012, the Company must recognize the acquisition as a business combination in accordance with IFRS 3 based on the fair value of NET’s assets acquired, liabilities assumed and the non-controlling interest. The purchase price for NET consists of the fair value of the equity method investment previously held, plus the amount of cash required to exercise the option to control NET.

The Company has derecognized its equity method investment in NET and was to recognize the difference between its carrying value and the fair value of the non-controlling interest at the acquisition date in comprehensive income during the quarter ended March 31, 2012. The Company is in the process of computing the fair value amount, but anticipates that the gain on the derecognition of its equity investment to be immaterial to the unaudited interim condensed consolidated financial statements.

The following tables show condensed consolidated financial information of NET at preliminary estimated fair value as of the date of consolidation:

Current assets	Ps.	10,099,622
Property, plant and equipment		33,097,376
Other Assets		28,808,826
Total assets		72,005,824
Total liabilities		34,035,650
Total equity		37,970,174
Non-controlling interest		2,972,151
Total equity attributable to AMX		34,998,023
Purchase price		54,565,021
Goodwill	Ps.	19,566,998

The Company’s purchase price allocation is preliminary in nature and will be finalized upon completion of independent appraisals of the fair value of the net assets acquired.

Subsequent Events

g) In October 2012, the Company announced the termination of its agreement with Digicel to acquire 100% of its operation in El Salvador.

5. Debt

The Company's short- and long-term debt consists of the following:

		At September 30, 2012		
Currency	Loan	Rate	Maturity from 2012 to	Total
U.S. dollars				
	ECA credits (fixed rate)	2.52%	2017	Ps. 1,236,083
	ECA credits (floating rate)	L+0.35%, L+0.50% and L+0.75%	2018	5,116,901
	Fixed-rate notes	2.375% - 8.57%	2042	195,018,916
	Leases	3.75%	2015	360,094
	Lines of credit	L+0.325% & 6.5% and 9.26%	2019	9,074,968
	Subtotal U.S. dollars			210,806,962
Euros				
	ECA credits (fixed rate)	2.00%	2022	140,771
	Fixed rate notes	3.0%, 3.75%, 4.125% and 4.75%	2022	62,292,233
	Subtotal Euros			62,433,004
Mexican pesos				
	Fixed-rate notes	4.10% - 9.00%	2037	41,524,185
	Floating rate notes	Cetes + 0.55% & TIIE+ 0.40%-1.50%	2016	22,600,000
	Subtotal Mexican pesos			64,124,185
Reais	Lines of credit	4.50%, 8.78% and 9.20%	2020	1,215,873
	Fixed-rate notes	4.50%	2018	2,097,446
	Floating rate notes	IPCA+0.50%	2021	343,503
	Subtotal Brazilian reais			3,656,822
	Bonds	IPC + 6.80% & 7.59%	2016	4,453,940
Colombian pesos	Subtotal Colombian pesos			4,453,940
	Bonds	1.125% - 5.75%	2041	61,726,703
Other currencies	Leases	2.75% - 8.97%	2027	295,806
	Lines of credit	L + 0.33% & 19.00% and 19.45%	2014	3,615,788
	Subtotal other currencies			65,638,296
	Total debt			411,113,210
	Less: Short-term debt and current portion of long -term debt			20,320,470
	Long-term debt			Ps. 390,792,740

Currency	Loan	Rate (At December 31, 2011)	Maturity from 2012 to	Total
U.S. dollars				
	ECA credits (fixed rate)	**2.52%**	**2017**	**Ps. 1,636,312**
	ECA credits (floating rate)	**L + 0.30%, L + 0.35%, L + 0.50% and L + 0.75%**	**2018**	**6,780,181**
	Fixed-rate notes	**2.375% - 6.375%**	**2040**	**167,854,707**
	Lines of credit	**L + 0.25% L + 0.325% L + 0.35%**	**2014**	**14,015,863**
	Subtotal U.S. dollars			**190,287,063**
Euros				
	ECA credits (fixed rate)	**2.00%**	**2022**	**177,004**
	Fixed-rate notes	**3.75%, 4.125% and 4.75%**	**2022**	**49,865,633**
	Subtotal Euros			**50,042,637**
Mexican pesos				
	Lines of credit	**TIIE + 0.60%**	**2012**	**55,000**
	Fixed-rate notes	**4.10%-10.20%**	**2037**	**41,680,565**
	Floating-rate notes	**Cetes + 0.55% & TIIE +-0.10% - 1.50%**	**2016**	**32,600,000**
	Subtotal Mexican pesos			**74,335,565**
Reais				
	Lines of credit	**4.50%, 8.78% and 9.20%, IPCA + 0.50% & TJLP+4.5%**	**2021**	**2,707,482**
	Subtotal Brazilian reais			**2,707,482**
Colombian pesos	Bonds	**IPC + 6.8% & 7.59%**	**2016**	**4,464,945**
	Subtotal Colombian pesos			**4,464,945**
Other currencies	Bonds	**1.23% - 6.41%**	**2039**	**43,066,551**
	Leases	**2.75% - 8.97%**	**2027**	**527,535**
	Lines of credit	**L + 0.33%, TAB +0.40% and 0.425%, Badlar Rate & 10.00% - 19.45%**	**2014**	**15,187,024**
	Subtotal other currencies			**58,781,110**
	Total debt			**380,618,802**
	Less: Short-term debt and current portion of long-term debt			**26,643,315**
	Long-term debt			**Ps. 353,975,487**

Legend:

Badlar Rate = Interest rate paid in Argentina on fixed-term deposits of more than one million Argentinean pesos
Cetes = Mexican Treasury Certificates
ECA = Export Credit Agreement
IPCA = Brazil's consumer price index.
IPC = Consumer Price Index
L = LIBOR or London Interbank Offered Rate
TAB =Bankers and Financial Institutions Association Rate
TIIE = Mexican Weighted Interbank Interest Rate
TJLP = Long-term Interest Rate

Except for the fixed-rate notes, interest rates on the Company's debt are subject to variances in international and local rates. The Company's weighted average cost of borrowed funds at September 30, 2012 and December 31, 2011 was approximately 4.8% and 5.2%, respectively. Such rates do not include commissions or the reimbursements for Mexican tax withholdings (typically a tax rate of

4.9%) that the Company must make to international lenders. In general, fees on financing transactions add ten basis points to financing costs.

An analysis of the Company's short-term debt at September 30, 2012 and at December 31, 2011 is as follows:

	At September 30, 2012		At December 31, 2011	
Domestic senior notes	**Ps.**	**10,702,145**	Ps.	10,300,000
Local bonds		**—**		648,424
Lines of credit used		**6,491,568**		9,568,760
Other loans		**115,344**		200,710
Total	**Ps.**	**17,309,057**	Ps.	20,717,894
Weighted average interest rate		**4.5%**		5.1%

An analysis of maturities of the Company's long-term debt as of September 30, 2012 is as follows:

Year	Amount	
2013	**Ps.**	**526,451**
2014		**28,621,469**
2015		**38,010,661**
2016		**42,863,116**
2017		**31,464,605**
2018 and thereafter		**249,306,438**
Total	**Ps.**	**390,792,740**

Senior Notes – At September 30, 2012 and December 31, 2011, the Company had senior notes issued in U.S. dollars of US$ 15,098 million (Ps. 195,019 million) and of US$ 11,998 million (Ps. 167,855 million), respectively, maturing from 2014 to 2042. At September 30, 2012 and December 31, 2011, the Company also had senior notes issued in Mexican pesos of Ps. 64,124 and of Ps. 74,281 million, respectively, maturing from 2012 to 2037.

During 2011 America Movil issued seven series of senior notes as follows: US$ 750 and US$ 2,000 million, 270 million of Swiss Francs, 6,900 and 5,100 million of Japanese Yen, 1,000 million in Euros and 500 million in Pounds. During the first quarter of 2012 America Movil issued a series of senior notes of 1,000 million Chinese Yuan (Ps. 2,066 million or US$ 160 million approximately). During the third quarter of 2012 America Movil issued five series of senior notes of US$ 1,600 million, US$ 1,150 million, 1,000 million in Euros, 750 million in Pounds and 250 million in Swiss Francs.

Lines of credit granted or guaranteed by export credit agencies – The Company has medium- and long-term financing programs for the purchase of equipment, with certain institutions, to promote exports and provide financial support to purchase export equipment from their respective countries. The outstanding balance under these plans at September 30, 2012 and December 31, 2011 is approximately Ps. 6,494 million and Ps. 8,593 million, respectively.

Domestic Notes – At September 30, 2012 and December 31, 2011, debt under domestic notes aggregates to Ps. 47,096 million and Ps. 56,909 million, respectively. Some bear interest at fixed rates, and others at variable rates based on CETES (a rate based on the cost of Mexican treasuries) or TIIE (a Mexican interbank rate) and IPCA.

In addition to the above, the Company has two commercial paper programs authorized by the Mexican Banking and Securities Commission (CNBV) for a total amount of Ps. 20,000 million.

General

In conformity with the credit agreements, the Company is obligated to comply with certain financial and operating commitments. These covenants limit, in certain cases, the ability of the Company or the guarantor to: pledge assets, carry out certain types of mergers, sell all or substantially all of its assets, and sell control over Telcel.

These covenants do not restrict the ability of AMX's subsidiaries to pay dividends or other payment distributions to AMX. The more restrictive financial covenants require the Company to maintain a consolidated ratio of debt to EBITDA (earnings before interest, tax, depreciation and amortization) that does not exceed 4 to 1, and a consolidated ratio of EBITDA to interest paid that is not below 2.5 to

1 (in accordance with the clauses included in the credit agreements). In certain instruments Telcel is subject to similar ratios and covenants as AMX. Also, Telmex Internacional is subject to financial covenants requiring it to maintain a ratio of debt to EBITDA that does not exceed 3.5 to 1, and a consolidated ratio of EBITDA to interest paid that is not below 3 to 1 (in accordance with the clauses included in the credit agreements).

Several of the financing instruments of the Company are subject to early extinguishment or re-purchase, at the option of the debt holder in the case that a change in control occurs.

A portion of the debt of Telmex is subject to certain restrictions with respect to maintaining certain financial ratios, as well as restrictions on selling a significant portion of groups of assets, among others.

A portion of the debt is also subject to early maturity or repurchase at the option of the holders in the event of a change in control of the Company, as so defined in each instrument. The definition of change in control varies from instrument to instrument; however, no change in control shall be considered to have occurred as long as Carso Global Telecom or its current shareholders continue to hold the majority of the Company's voting shares.

At September 30, 2012, the Company was in compliance with all the covenants established in its debt agreements.

At September 30, 2012, approximately 56% of America Movil's total outstanding consolidated debt was guaranteed by Telcel.

6. Accounts Payable

a) An analysis of the caption accounts payable and accrued liabilities is as follows:

	September 30 2012	December 31 2011
Suppliers	**Ps. 86,941,332**	Ps. 92,484,803
Sundry creditors	**35,526,520**	37,982,974
Interest payable	**4,510,838**	6,242,819
Accrued expenses and other provisions	**36,415,308**	37,156,996
Guarantee deposits	**2,006,968**	1,753,530
Dividends payable	**9,754,864**	3,119,333
Total	**Ps. 175,155,830**	Ps. 178,740,455

b) An analysis of accrued expenses and other provisions at September 30, 2012 and December 31, 2011 is as follows:

	Balance at December 31, 2011	**Effect of translation**	**Increase of the year**	Applications **Payments**	Applications **Reversals**	**Balance at September 30, 2012**
Direct employee benefits payable	**Ps. 8,194,088**	**Ps. (483,140)**	**Ps. 9,383,204**	**Ps. (8,745,404)**	**Ps.(142,793)**	**Ps. 8,205,955**
Asset retirement obligations	**6,387,229**	**(547,985)**	**1,677,331**	**(251,121)**	**(4,914**	**7,260,540**
Contingencies	**22,575,679**	**(3,039,030)**	**2,633,537**	**(1,060,270)**	**(161,103**	**20,948,813**
	Ps. 37,156,996	**Ps. (4,070,155)**	**Ps. 13,694,072**	**Ps. (10,056,795)**	**Ps. (308,810)**	**Ps. 36,415,308**

	Balance at December 31, 2010	Effect of translation	Increase of the year	Applications Payments	Applications Reversals	Balance at December 31, 2011
Direct employee benefits payable	Ps. 8,752,153	Ps. 75,425	Ps. 10,195,237	Ps. (10,764,332)	Ps. (64,395)	Ps. 8,194,088
Asset retirement obligations	4,681,409	79,891	1,661,841	(29,960)	(5,952	6,387,229
Contingencies	18,100,789	266,616	5,034,512	(819,307)	(6,931	22,575,679
	Ps. 31,534,351	Ps. 421,932	Ps. 16,891,590	Ps. (11,613,599)	Ps. (77,278)	Ps. 37,156,996

7. Related Parties

For the nine-month periods ended September 30, 2012 and 2011, the Company conducted the following transactions with related parties:

	For the nine-month periods ended September 30,			
	2012		2011	
Revenues:				
Telecommunications services			Ps.	3,519,538
Long-distance services and other telecommunications services	**Ps.**	**253,219**		430,838
International interconnection services		**346,513**		376,110
Sale of materials and other services		**332,180**		306,634
Total	**Ps.**	**931,912**	Ps.	4,633,120
Expenses:				
Construction services, purchases of materials, inventories and fixed assets	**Ps.**	**4,203,327**	Ps.	3,754,136
Telecommunications services				2,845,046
Insurance premiums, fees paid for administrative and Operating services, brokerage services and others		**1,609,920**		1,603,826
Other		**969,515**		1,285,472
Total	**Ps.**	**6,782,762**	Ps.	9,488,480

For the three-month periods ended September 30, 2012 and 2011, the Company conducted the following transactions with related parties:

	For the three-month periods ended September 30,			
	2012		2011	
Revenues:				
Telecommunications services			Ps.	867,230
Long-distance services and other telecommunications services	**Ps.**	**93,578**		174,393
International interconnection services		**122,286**		168,483
Sale of materials and other services		**99,042**		83,712
Total	**Ps.**	**314,906**	Ps.	1,293,818
Expenses:				
Construction services, purchases of materials, inventories and fixed assets	**Ps.**	**1,797,291**	Ps.	1,743,012
Telecommunications services				987,974
Insurance premiums, fees paid for administrative and Operating services, brokerage services and others		**679,820**		734,907
Other		**426,860**		61,454
Total	**Ps.**	**2,903,971**	Ps.	3,527,347

8. Contingencies

Revocation of Fine Against Telcel by the Mexican Federal Antitrust Commission

On May 2, 2012, Telcel was notified of a resolution issued by the Mexican Federal Antitrust Commission (*Comisión Federal de Competencia*, or "Cofeco") that revoked the Ps.11,989 million fine imposed by Cofeco in April 2011 for alleged monopolistic practices in the mobile termination market. As a condition to the revocation of the fine, Telcel must comply with certain undertakings that were proposed by it to Cofeco in March 2012. These undertakings are described in our 2011 Form 20-F. Certain of the operators that were parties to that proceeding have challenged the revocation of the fine.

9. Equity

a) The capital stock of the Company consists of a minimum fixed portion of Ps.397,873 (nominal amount), represented by a total of 95,489,724,196 shares (including treasury shares available for re-subscription in accordance with the provisions of the Mexican Securities Law), of which (i) 23,424,632,660 are common series "AA" shares; (ii) 776,818,130 are common series "A" shares; and (iii) 71,288,273,406 are series "L" shares. All such shares have been fully subscribed and paid.

b) At September 30, 2012 and December 31, 2011, the Company´s capital stock was represented by 76,060,886,610 (23,424,632,660 series "AA" shares, 722,388,177 series "A" shares and 51,913,865,773 registered "L" shares) and 76,992,000,000 (23,424,632,660 series "AA" shares, 756,967,714 series "A" shares and 52,810,399,626 registered "L" shares), respectively.

c) At September 30, 2012 and December 31, 2011, the Company´s treasury shares included shares for re-subscription, in accordance with the provisions of the Mexican Securities Law, in the amount of 19,428,837,586 shares (19,422,891,769 series "L" shares and 5,945,817 series "A" shares) and 18,497,724,196 shares (18,495,699,196 series "L" shares and 2,025,000 series "A" shares) respectively.

d) The holders of Series "AA" and Series "A" shares are entitled to full voting rights. The holders of series "L" shares may only vote in certain circumstances, and they are only entitled to appoint two members of the Board of Directors and their respective alternates. The matters in which the shareholders who are entitled to vote are the following: extension of the term of the Company, early dissolution of the Company, change of corporate purpose of the Company, change of nationality of the Company, transformation of the Company, a merger with another company, as well as the cancellation of the registration of the shares issued by the Company in the National Securities Registry and any other foreign stock exchanges where they may be registered, except for quotation systems or other markets not organized as stock exchanges. Within their respective series, all shares confer the same rights to their holders.

The Company's bylaws contain restrictions and limitations related to the subscription and acquisition of Series "AA" shares by non-Mexican investors.

e) In accordance with the bylaws of the Company, Series "AA" shares must at all times represent no less than 20% and no more than 51% of the Company's capital stock, and they also must represent at all times no less than 51% of the common shares (entitled to full voting rights, represented by Series "AA" and Series "A" shares) representing capital stock.

Series "AA" shares may only be subscribed to or acquired by Mexican investors, Mexican corporations and/or trusts expressly empowered for such purposes in accordance with the applicable legislation in force. Common Series "A" shares, which may be freely subscribed, may not represent more than 19.6% of capital stock and may not exceed 49% of the common shares representing such capital. Common shares (entitled to full voting rights, represented by Series "AA" and Series "A" shares) may represent no more than 51% of the Company's capital stock.

Lastly, the combined number of series "L" shares, which have limited voting rights and may be freely subscribed, and series "A" shares may not exceed 80% of the Company's capital stock. For purposes of determining these restrictions, the percentages mentioned above refer only to the number of Company shares outstanding.

Dividends

f) On April 25, 2012, the Company's shareholders approved payment of a cash dividend of $0.20 pesos per share for each Series AA, A and L shares, for a total dividend of Ps. 15,092,027, to be paid in two installments of Ps. 0.10 pesos per share on July 20, 2012 and November 16, 2012 against coupons No. 31 and 32, respectively, of the titles that represent the Company's capital stock.

On April 27, 2011 The Company payment a cash dividend of Ps. 0.36 pesos, payable in two installments, for each of the Series "AA", "A" and "L" shares representing capital stock (including the preferred dividend corresponding to Series "L" shares), the amount of which is to be adjusted based on the resolutions to be adopted regarding the stock split referred to in paragraph.

The aforementioned dividends were paid for the Net taxed profit account (CUFIN).

10. Income Tax and Flat-Rate Business Tax

An analysis of income tax charged to results of operations for the nine-month periods ended September 30, 2012 and 2011 is as follows:

		2012		2011
Current year income tax	**Ps.**	**38,619,444**	Ps.	30,534,973
Deferred income tax		**(1,615,980)**		(465,345)
Total	**Ps.**	**37,003,464**	Ps.	30,069,628

An analysis of income tax charged to results of operations for the three-month periods ended September 30, 2012 and 2011 is as follows:

		2012		2011
Current year income tax	**Ps.**	**16,644,158**	Ps.	7,306,001
Deferred income tax		**(3,127,267)**		(380,286)
Total	**Ps.**	**13,516,891**	Ps.	6,925,715

The Company's effective tax rate was 32.5% and 29.8% for the nine months ended September 30, 2012 and 2011 respectively; and 30.5% and 25.6% for the three-months ended September 30, 2012 and 2011 respectively.

11. Components of other comprehensive income (loss)

An analysis of the components of the other comprehensive loss as of September 30, 2012 and 2011 is as follows:

		2012		2011
Valuation of the derivative financial instruments, net of deferred tax	**Ps.**	**105,105**	Ps.	271,431
Translation effect of foreign subsidiaries		**(33,399,828)**		1,620,449
Non-controlling interest of the items above		**(1,232,649)**		21,903
Other comprehensive loss	**Ps.**	**(34,527,372)**	Ps.	1,913,783

12. Other Financial Assets and Liabilities

Fair value hierarchy

At September 30, 2012 and December 31, 2011, América Móvil had the following financial instruments either measured or disclosed at fair value.

The Company's valuation techniques used to determine and disclose the fair value of its financial instruments are based on the following hierarchy:

Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities;

Level 2: Variables other than quoted prices in Level 1 that are observable for the asset or liability, either directly (prices) or indirectly (derived from prices); and

Level 3: Variables used for the asset or liability that are not based on any observable market data (non-observable variables).

For the nine-month periods ended September 30, 2012 and the year ended December 31, 2011, no transfers were made between Level 1 and Level 2 fair value measurement techniques.

	Measuring fair value at September 30, 2012			
	Level 1	Level 2	Level 3	Total
Assets				
Derivatives		Ps. 326,432		Ps. 326,432
Pension plan assets	Ps. 224,523,212			224,523,212
Total	Ps. 224,523,212	Ps. 326,432		Ps. 224,849,644
Liabilities				
Debt	Ps. 333,680,970	Ps. 128,632,568		Ps. 462,313,538
Derivatives		3,831,640		3,831,640
Total	Ps. 333,680,970	Ps. 132,464,208		Ps. 466,145,178

	Measuring fair value at December 31, 2011			
	Level 1	Level 2	Level 3	Total
Assets				
Derivatives		Ps. 7,777,953		Ps. 7,777,953
Pension plan assets	Ps. 215,657,633			215,657,633
Total	Ps. 215,657,633	Ps. 7,777,953		Ps. 223,435,586
Liabilities				
Debt	Ps. 390,859,513	Ps. 22,879,282		Ps. 413,738,795
Derivatives		873,398		873,398
Total	Ps. 390,859,513	Ps. 23,752,680		Ps. 414,612,193

Annex B – Undaudited interim condensed consolidated financial statements as of and for the three and nine months ended September 30, 2012

13. Segments

América Móvil operates in different countries. The Company has operations in Mexico, Guatemala, Nicaragua, Ecuador, El Salvador, Brazil, Argentina, Colombia, United States, Honduras, Chile, Peru, Paraguay, Uruguay, Dominican Republic, Puerto Rico, Jamaica and Panama.

The Company management analyzes the financial and operating information by geographical segment, except for Mexico, which shows América Móvil and Telmex as two segments. All significant operating segments that represent more than 10% of consolidated revenues, more than 10% of net profit and more than 10% of consolidated assets, are presented separately.

	Mexico (1)	Telmex	Brazil	Southern Cone (2)	Colombia	Andean (3)	Central-America (4)	U.S.A. (5)	Caribbean (6)	Elimination s	Total consolidate d
At September 30, 2012											
Operating revenues	129,168,	79,594,	159,032,	45,900,	53,568,	31,269,	17,134,	45,598,	20,790,	(4,999,	577,057,
Operating income	61,493,	14,625,	9,972,	6,651,	16,571,	9,624,	(2,753,	2,693,	1,741,	1,340,	121,958,
Depreciation and amortization	6,567,	12,489,	30,162,	5,153,	7,703,	3,453,	7,269,	329,	4,148,		77,277,
Assets by segment	629,773,	164,369,	305,422,	96,916,	95,921,	63,557,	45,021,	23,886,	64,057,	(522,838	966,087,
Plant, property and equipment, net	42,731,	99,570,	154,949,	48,738,	40,716,	22,609,	33,793,	1,807,	27,348,		472,264,
At September 30, 2011:											
Operating revenues (Adjusted)	123,563,	83,333,	130,164,	39,146,	43,759,	25,085,	13,904,	33,452,	19,535,	(10,738,	501,207,
Operating income	58,240,	19,648,	7,439,	6,674,	13,611,	7,966,	80,	890,	2,025,	(342,	116,234,
Depreciation and amortization	6,298,	12,680,	27,549,	4,564,	6,397,	2,806,	4,633,	263,	3,643,		68,836,
Assets by segment	670,275,	160,302,	310,784,	90,531,	84,137,	65,351,	51,155,	18,519,	69,587,	(558,099	962,547,
Plant, property and equipment, net	42,451,	95,866,	126,903,	40,042,	37,895,	21,822,	32,407,	769,	31,599,		429,757,

Mexico includes Telcel and corporate operations and assets

(1) Southern Cone includes Argentina, Chile, Paraguay and Uruguay
(2) Andean includes Ecuador and Peru.
(3) Central America includes Guatemala, El Salvador, Honduras, Nicaragua and Panama.
(4) Excludes Puerto Rico
(5) Caribbean includes the Dominican Republic, Puerto Rico and Jamaica

14. Subsequent Events

a) On November, 2012, AMX through its Brazilian subsidiary (Embratel) launche the Star One C3 Satellite, the newest member of the third generation of Embratel's satellites. This new satellite will expand the capacity and coverage to render TV, data and voice transmission services. Its range will cover Miami and the entire South America, including the Andean countries (Bolivia, Peru, Ecuador, Colombia, and Venezuela). In Brazil, its coverage will span over the waters under Brazilian jurisdiction until the pre-salt area, offering better communication possibilities for the oil & gas industry. With 28 communication channels in Band C and 16 channels in Band Ku, the satellite will replace the Brasilsat B3 satellite, currently operating in position 75ºW.

b) In November 2012, the Company launched 4G LTE (Long Term Evolution) services in major cities of Mexico.